FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-90-235
Thursday
6 December 1990

Daily Report
East Asia

FBIS-EAS-90-235 CONTENTS *6 December 1990*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Further Reportage on GATT Trade Talks 1
    Talks 'Heading Toward Collapse' *[KYODO]* 1
    Deadlock in Banking Services Viewed *[Bangkok THE NATION 6 Dec]* 1
    Malaysia on Setting Up Trade Bloc *[Kuala Lumpur International]* 2
    Near Agreement on New Rules *[KYODO]* 2
    GATT Farm Talks Stall *[KYODO]* 3
    Talks Reach 'Crucial Moment' *[Tokyo TV]* 3
Japan Urged To Drop Airport Plan, End Whaling *[KYODO]* 4

NORTHEAST ASIA

Japan

Kaifu Welcomes Release of All Hostages by Iraq *[Tokyo TV]* 5
    Spokesman Welcomes Iraqi Pledge *[KYODO]* 5
USSR Submits List of Emergency Supplies Needed *[KYODO]* 5
Soviet Scholar Criticized on POW Allegations *[KYODO]* 5
Soviet Chernobyl Delegation To Arrive 11 Dec *[KYODO]* 6
Justice Ministry Extends Visas for PRC Students *[KYODO]* 6
Kaifu Decides To Postpone Cabinet Reshuffle *[KYODO]* 6
    Official Urges 'Common Sense' *[KYODO]* 7
'Radical Elements' Suspected in Kyoto Explosion *[KYODO]* 7
'Radicals' Suspected in Blasts Near Ise Shrine *[KYODO]* 7
Government Considering Asian Tour for Emperor *[KYODO]* 8
LDP Approves Package on Land Tax Reforms *[KYODO]* 8
    Business Community Criticizes Plan *[KYODO]* 9
Price Cut in Consumer Rice Prices Planned *[KYODO]* 9
BOJ Announces Steps To Liberalize Money Market *[KYODO]* 10
Company To Help Boost Iranian Steel Production *[KYODO]* 10
'Source' on Telecom System Deal With Hungary *[KYODO]* 10

North Korea

N-S Liaison Officers' Contact Reported *[Pyongyang Radio]* 11
Daily Calls for Release of Berlin Delegates *[KCNA]* 11
Kim Il-chol Leads Naval Delegation to USSR *[KCNA]* 11
Progress on Cultural Agreement With Syria Noted *[KCNA]* 12
KCNA Reviews 6 Dec Pyongyang Press 12
NODONG SINMUN on Party Indestructibility *[Pyongyang Radio]* 13
WPK Lauds Paektu Fire Prevention Effort *[Pyongyang Radio]* 20
Chuche Institute Publishes Paekbong Library *[KCNA]* 20
Development of 'Powerful' Merchant Fleet Noted *[KCNA]* 21
Coal Mining Production Ahead of 1989 Pace *[KCNA]* 21

South Korea

Government Gives Approval to North Musicians *[YONHAP]* 21
New Anti-Kim Il-song Group Formed in Japan *[CHUNGANG ILBO 5 Dec]* 22
USSR Reportedly Continues Aid to N. Korea *[SEOUL SINMUN 6 Dec]* 22
Economic Talks Planned With USSR for January *[CHOSON ILBO 6 Dec]* 22

Seoul Plans $3 Billion in Aid to Moscow *[THE KOREA TIMES 5 Dec]* 23
Soviet Ambassador to Seoul To Arrive 7 Dec *[SEOUL SINMUN 6 Dec]* 23
Trade Corporation To Set Up Moscow Branch *[THE KOREA HERALD 6 Dec]* 23
Soviet Tourist Official Promotes Tourism *[YONHAP]* 24
Entrepreneurs Eye Deals During No's USSR Trip *[YONHAP]* 24
Fishery Agreement With USSR Runs Into Trouble *[THE ECONOMIC JOURNAL 26 Nov]* . 25
China Says Planned Trade Mission Nongovernmental *[CHUNGANG ILBO 26 Nov]* 25
Economic Cooperation With SRV To Be Explored *[YONHAP]* 25
Agricultural Policy Shift for Uruguay Round *[YONHAP]* 25
Shipping Industry 'Sources' Fear U.S. Pressure *[YONHAP]* 26
Joint Oil Project With Saudi Arabia Canceled *[YONHAP]* 26
Major Steel Plant With Foreign Investment Opens *[YONHAP]* 26
Opinion Poll on Current Issues Reported *[YONHAP]* 27
DLP Leader Renews Talk of Constitutional Change *[YONHAP]* 27
Five Death-Row Inmates Hanged 4 Dec *[YONHAP]* 27
* Industrial-Academic Complex Strengthened *[CHUGAN MAEKYONG 27 Sep]* 28

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

1990 Economic Growth Rate Revised Upward *[BERNAMA]* 34

Singapore

Indonesian Armed Forces Chief Arrives for Visit *[Singapore Radio]* 34
    Meets With Goh, Yeo *[Singapore Radio]* 34
Commonwealth Secretary-General Calls on Leaders *[Singapore Radio]* 34
Customs Apprehends Nigerian for Smuggling Heroin *[Singapore Radio]* 34

Cambodia

Hun Sen Gives Briefing on Paris Meeting *[Phnom Penh Radio]* 35
Prince Sihanouk Facing Libel Charges in Paris *[AFP]* 40
Sihanouk Call for SNC Meeting Criticized *[Phnom Penh Radio]* 40
SPK Reports Enemy Casualties in Kompong Thom 41
Chea Sim Marks KUFNCD Founding Anniversary *[Phnom Penh Radio]* 41
SRV Control Commission Delegation Arrives *[SPK]* 42

Indonesia

'No Problem' Seen for Satellite Launch in PRC *[ANTARA]* 42
Vice President Meets Kuwaiti Delegation 5 Dec *[Jakarta Radio]* 42
Government To Postpone Haj If Gulf War Occurs *[ANTARA]* 42
Government To Build TV Transmission Stations *[Jakarta Radio]* 43

Laos

Cambodian Party-State Group Leaves for Home *[Vientiane Radio]* 43
Chairman Nouhak Closes Fifth Assembly Session *[Vientiane Radio]* 43
Kaysone Phomvihan Awarded Ho Chi Minh Medal *[Vientiane Radio]* 46
Leading Cadres Awarded Meritorious Orders *[Vientiane Radio]* 47
Article Views 15 Years of Achievements *[Vientiane Radio]* 47

Philippines

Entire Armed Forces Placed on Alert 'Again' *[Quezon City Radio]* 51
Salonga Favors One-Year Extension for Subic *[Manila Radio]* 51
One-on-One Bases Talks Scheduled for 4 Dec *[Manila Radio]* 51

U.S. Stand 'Likely To Cause an Impasse' *[THE MANILA CHRONICLE 4 Dec]* 51
Bases Talks Close; Next Round Set for 1991 *[Quezon City Radio]* 52
Survey Shows Preference for Bases Retention *[Manila Radio]* 52
Mission Prepares To Leave for Saudi Arabia *[Manila Radio]* 52
European Parliament Grants Financial Aid *[Quezon City Radio]* 52
Aquino Passes Christmas, New Year's Cease-Fire *[Quezon City Radio]* 53
Aquino: No Group Can Wrest Government Control *[Quezon City Radio]* 53
Senator Maceda: Laurel Can Run Country Better *[Quezon City Radio]* 54
Candidates Vie for Military Chief of Staff Post *[Manila Radio]* 54
Cabinet, Congress Reach Tax Compromise *[THE MANILA CHRONICLE 5 Dec]* 54
Regulatory Board Announces New Oil Prices *[Quezon City Radio]* 54
Aquino Comments on Second Oil Price Hike *[Manila Radio]* 54
Senators React to Second Oil Price Increase *[Quezon City Radio]* 55
Further Changes in Constabulary-Police Commands *[PHILIPPINES NEWSDAY 5 Dec]* 56
5 Communist Districts Dismantled in Region IX *[Quezon City Radio]* 56
Seventeen NPA Rebels Surrender in Palawan *[Quezon City Radio]* 56
Charges Filed Against Two NPA Officials *[Quezon City Radio]* 57

Thailand

Military Establishment's Attitude, Role Viewed *[THE NATION 6 Dec]* 57
Military, Premier To Have Reconciliation Dinner *[BANGKOK POST 12 Dec]* 58
Commerce Minister Amaret Threatens To Resign *[BANGKOK POST 28 Nov]* 58
Nine Democrat Ministers Said Ready To Resign *[THAI RAT 6 Dec]* 59
Cabinet Approves of Supporting Rice Prices *[BANGKOK POST 5 Dec]* 59

Vietnam

Foreign Ministry Hails UNSC Cambodian Efforts *[Hanoi International]* 60
Further on National Assembly Session, Communiques 60
    Deputies Hold Group Meetings *[Hanoi Radio]* 60
    Spokesman Discusses Bills *[AFP]* 60
    Le Quang Dao, Vo Van Kiet Speak *[Hanoi Radio]* 61
    Communique No. 1 *[Hanoi Radio]* 62
    Communique No. 2 *[Hanoi Radio]* 63
    Session Continues 6 Dec *[Hanoi Radio]* 63
Draft Socioeconomic Strategy, First Installment *[Hanoi Radio]* 63
Meetings, Statements Mark 15th Lao National Day 68
    SRV Leaders Attend Meeting *[Hanoi Radio]* 68
    Envoy Holds Reception *[VNA]* 68
    Lao Envoy Gives Statement *[Hanoi Radio]* 69
    Vo Chi Cong Returns From Laos *[Hanoi Radio]* 70
Decision Issued To Inspect Financial Sector *[Hanoi Radio]* 70
Party Leader Discusses Theoretical Work *[VNA]* 70
Ministers Council Creates Personnel Subcommittee *[Hanoi Radio]* 71
Army Paper Stresses Party Documents' Importance *[Hanoi Radio]* 71
Do Muoi Writes to Machine Assembly Union *[Hanoi Radio]* 71
General Staff Order Army To Conserve Gasoline *[Hanoi Radio]* 72
Five Million Tons of Crude Oil in Five Years *[VNA]* 72
Hanoi Conference Reviews Anti-Corruption Results *[Hanoi Radio]* 72
Vo Van Kiet Receives Australian Bankers *[VNA]* 72
Italian Government Delegation Concludes Visit *[VNA]* 73

AUSTRALASIA

Australia

New Policy Suggested If Cambodian Talks Fail *[AFP]* 74

Fiji

Economic Slowdown Expected if Crisis Continues *[Melbourne International]* 74

New Zealand

McKinnon: No Commitment to Fijian Defense Ties *[Melbourne International]* 75
Pre-Christmas Airline Strike Threatens Travel *[AFP]* 75

Papua New Guinea

Soviets Hold Fishery Talks in Port Moresby *[Melbourne International]* 75
Bougainville Rebels Said Resolute on Conditions *[AFP]* 75

Further Reportage on GATT Trade Talks

Talks 'Heading Toward Collapse'

OW0512012090 Tokyo KYODO in English 0059 GMT 5 Dec 90

[Text] Brussels, Dec. 5 KYODO—Talks aimed at concluding the Uruguay round of multilateral trade negotiations are rapidly heading toward collapse as the European Community (EC) is refusing to make concessions on the key farm issue, Japanese Government officials said Tuesday.

Trade negotiators were engaged in frantic last-ditch efforts to salvage the four-year talks sponsored by the General Agreement on Tariffs and Trade (GATT), which are faltering over the stalemate on the politically charged issue of farm trade liberalization.

Representatives of 107 nations are in Brussels for the weeklong meeting.

Observers said the negotiations are falling apart because of the unbridgeable gap between the United States and the EC over how drastically farm trade, worth a total of 400 billion dollars a year, should be freed from government supports.

The protection-oriented EC, in the face of growing pressures from all sides to soften its stance, has refused to budge.

In the closed-door negotiations, EC Commissioner Frans Andriessen said he was convinced that the EC had made a meaningful offer, according to Koichi Haraguchi, deputy director general of the Economic Affairs Bureau in Japan's Foreign Ministry.

Those who think that by placing pressures on the EC they can change its stance have a wrong idea about the procedures and the reality of the community, he was quoted as saying.

At the ministerial meeting earlier, the EC decided not to review its position on the farm issue, Andriessen reportedly indicated.

Rufus Yerxa, a deputy U.S. trade representative, said, "the talks are very close to collapse."

Many trade officials had expected that the 12-nation EC would make some move toward concession at the meeting of ministers on Tuesday.

U.S. officials bluntly expressed their irritation about what they saw as the EC's intransigence.

U.S. Trade Representative Carla Hills accused the Community of making unreasonable complaints about the other participants putting pressure on it.

GATT Director General Arthur Dunkel indicated his view that the conference would fail to conclude the Uruguay round this week unless there were significant moves within 12 hours.

Uruguay Foreign Minister Hector Gros Espiell, the chairman of the Trade Negotiations Committee, issued a statement saying, "I have seen no real movements from entrenched positions in any of the major areas of the round."

"In fact, it is my perception that the process stands blocked at this stage and the conference is in a very serious impasse," he added.

A senior official of the Japan's Central Union of Agricultural Cooperatives (ZENCHU), who is in Brussels for lobbying, said the possibility of the EC coming up with any substantial concession was becoming slimmer every minute. "If they can make such a concession tomorrow, why can't they make it today?" he said. He predicted, "the outcome of the talks will be at best an empty document written in very vague language designed to hurt nobody."

The continued impasse in the farm negotiations is thwarting any real progress in other key areas.

Haraguchi said, "negotiators apparently do not feel up to playing their hands seriously as the vital farm issue has bogged down."

Deadlock in Banking Services Viewed

BK0612025790 Bangkok THE NATION in English 6 Dec 90 p B1

[By Peter Maitri Ungphakon reporting from Brussels]

[Text] While the Uruguay Round of GATT [General Agreement on Tarriffs and Trade] talks is held up, most visibly, over agriculture, deadlock in another topic is equally as important, says Bank of Thailand Governor Wichit Suphinit.

The topic is services, particularly financial services such as banking, securities trading and insurance. The standoff between the rich natons, which want greater access for their financial services to other countries' markets, and the poorer nations, which don't want to be committed to giving greater access, is so serious that the "draft agreement" for new liberal rules in this sector consists of a single blank page.

"Negotiations on financial services have been so divided between the developed countries and the group of developing country hardliners—India, Brazil and some Latin American countries—that the chairman of the working group (on financial services) submitted a blank paper to the (Uruguay Round) Trade negotiations committee," Wichit said on Tuesday. A new attempt to break the deadlock was made on Monday, when Japan, Canada, Sweden and Switzerland submitted a new draft.

Wichit, who is a member of the Thai delegation for the Uruguay Round meetings, said he was surprised that there was no response from the hardline Third World countries. Apart from the support for the four-country draft from the United States and the European community, the only response was an alternative draft submitted by Seacen, the Group of Southeast Asian Central banks.

The key difference between the two proposals, according to Wichit, concern the extent to which the central bank and other authorities have to disclose reasons for taking "prudential" action in the interest of bank deposit and insurance policy holders and which financial services should be liberated and how much slower developing countries will be allowed to liberalize.

The Seacen proposal would allow authorities such as central banks to reach decisions—such as rejecting some applicatons for foreign banks to be granted licences—in the interest of prudence, without having to disclose confidential information. The four-country proposal does not go far enough in this direction, because "prudential" decisons have to be "reasonable," which require disclosing information to justify the measures, Wichit said.

Both proposals include paragraphs that would allow the authorities to maintain confidentiality, but the Seacen draft allows this to be justified on "public interest" grounds, whereas the four-country document does not.

The Seacen draft would also allow governments to maintain some monopolies in the form of financial futures exchanges, clearing houses and special institutions, such as the Government Saving Bank or Government Housing Bank.

At a meeting with the Japanese on Tuesday, Japanese Finance Vice-Minister Makoto Utsumi welcomed the Seacen draft on two grounds, Wichit said.

Malaysia on Setting Up Trade Bloc

BK0612072490 Kuala Lumpur International Service in English 0600 GMT 6 Dec 90

[Text] Malaysia will initiate the setting up of an East Asian trading bloc if the Uruguay Round of multilateral trade negotiations fail. Its minister of primary industries, Datuk Sri Dr. Lim Keng Yaik, says the trading bloc will allow the country to counter the emergence of protectionism and regionalism in world trade. Malaysia has very low expectations that a comprehensive agreement will be reached during the ongoing negotiations in Brussels to wind up the Uruguay Round which began in 1986.

He added that a strong open economy was of the highest priority to Malaysia because of its export orientation, but if this is not possible, it will look for ways to protect itself.

The minister said the cabinet had discussed the possibility of setting up an Asian bloc comprising of ASEAN along with Japan, South Korea, Taiwan, China, Hong Kong, Vietnam, and Burma. ASEAN groups Malaysia, Brunei, Indonesia, the Philippines, Singapore, and Thailand.

Near Agreement on New Rules

OW0512154190 Tokyo KYODO in English 1443 GMT 5 Dec 90

[Text] Brussels, Dec. 5 KYODO—Negotiators trying to improve the rules of the General Agreement on Tariffs and Trade (GATT) are very close to agreements on revising regulations on the origin of products and exceptions from GATT obligations for balance of payments reasons, government officials said Wednesday.

Closed-door negotiations during the morning brought talks on the two issues to one step short of agreement, with only one country now opposing the final accords, said Koichi Haraguchi, deputy director-general of the Economic Affairs Bureau of the Foreign Ministry.

Origin rules determine a product's country of origin, and a decision by a customs authority on origin can determine whether a shipment falls within a quota limitation, qualifies for a tariff preference, or is affected by an antidumping duty. These rules can vary widely from country to country, causing confusions for traders.

The group negotiating the issue has tried to draw up general rules based on GATT principles.

The U.S. and the European Community submitted a joint compromise proposal Tuesday designed to make the new rules acceptable to all parties.

There was only one country opposed to the draft text during the Wednesday negotiations, and an agreement is expected shortly, Haraguchi said.

The talks covering the issue of modifying the GATT articles that allow a member country to take restrictive trade measures for balance of payments reasons is also near to an accord, he said.

Developed countries have been calling for more restricted use of the provision, while developing countries have been claiming that this is an essential element of the special and more favorable treatment for them.

Many of the less-developed countries have opposed strengthening the rules, but they all made concessions, leaving India as the only nation still holding out on an agreement.

The negotiators also clinched the issue of customs valuation.

The African countries that objected to the augmentation of the provision, which prohibits the use of arbitrary valuation, have conceded to the draft text, according to Haraguchi.

GATT Farm Talks Stall

OW0512145390 Tokyo KYODO in English 1412 GMT 5 Dec 90

[By Shiro Yoneyama]

[Text] Brussels, Dec. 5 KYODO—Trade negotiators were trying to revive stalled global farm trade talks Wednesday as the European Community (EC) resisted attempts by farm-exporting nations to seek concessions on agriculture.

EC officials said trade and agriculture ministers from their 12 member countries will meet later in the day to help break the impasse in agricultural trade talks here.

"We need a parallel approach," EC Spokesman Nicholas Wegter said at a news conference, insisting that agriculture is not the sole subject on the agenda of the Uruguay round of multilateral trade talks. "We still think it is possible to come to a tangible, substantial, and political solution," Wegter said, referring to the agricultural issue while in Brussels, site of the concluding ministerial meeting on the Uruguay round under the auspices of the General Agreement on Tariffs and Trade (GATT).

Another EC official, John Cooney, blasted the United States for trying to pin the blame on the EC for the deadlocked farm trade talks. "The Americans are in disarray," Cooney told reporters. He said a breakfast meeting between U.S. Agriculture Secretary Clayton Yeutter and EC Agriculture Commissioner Ray MacSharry did not materialize for unspecified reasons.

Uruguay's Foreign Minister Hector Gros Espiell, who is chairman of the Trade Negotiations Committee (TNC), met separately Wednesday morning with Japanese Agriculture Minister Tomio Yamamoto, Yeutter, and MacSharry. A Japanese official said the meeting between Gros and Yamamoto did not produce any results.

A British spokesman said at a news briefing, "we are still cautiously optimistic" about a resolution to the agricultural dispute which pits the EC against the U.S. and the Cairns group of 14 agricultural exporting countries.

Another British official said the EC proposal to reduce internal support by 30 percent represents "a significant degree of reduction" in trade-distorting subsidies.

While farm talks remained deadlocked, officials reported progress in other sectors under the Uruguay round, the eighth in a series of market-opening trade talks.

GATT Spokesman David Woods said at a news conference that trade negotiators reached a basic agreement on government procurements and efforts were being made to facilitate understanding of the issue by developing countries. He said there were "positive developments" on the issue of rule of origin. Trade negotiators also agreed to implement measures related to tropical products "as far as possible."

European officials scoffed at suggestions by Americans and other foreign negotiators that the EC's refusal to budge on the farm issue is hampering progress on other sectors.

A British official said the EC farm proposal deserves "a kind of imaginative treatment" from the U.S., the Cairns group, and other countries interested in farm issues.

EC Spokesman Wegter acknowledged that the EC member countries felt the situation surrounding the global trade talks here was "difficult and serious."

Wearing an "I Love CAP" (common agricultural policy) badge, Cooney, the EC's agriculture expert, said EC Vice President Frans Andriesen, met TNC Chairman Gros Wednesday morning. He did not elaborate.

Trade officials from some 100 countries have been attending the Uruguay round talks on agriculture, trade in services, dispute settlement mechanisms, intellectual property protection, and other sectors.

Talks Reach 'Crucial Moment'

OW0512154390 Tokyo NHK General Television Network in Japanese 1000 GMT 5 Dec 90

[Text] The four-year-long Uruguay Round of talks under the General Agreement and Tariffs and Trade has reached a crucial moment of success or failure. While everything hangs on whether or not an agreement is reached on agriculture, no bargaining is taking place behind the scenes, let alone on the conference table itself.

Some other areas of discussion have been affected by the stalemate. Chairmen in charge of the subcommittees of the talks issued an emergency appeal for progress in negotiations, and the Cairns group of farm exporting countries including Australia have threatened to walk out of the talks if no progress is made. The Uruguay Round is therefore at a crisis point. Progress hinges on whether the United States and the EC will make concessions to each other. Attention now focuses on what decision will come out of an emergency EC directors meeting, which is to be held later today Japan time.

Meanwhile, the confrontation between the United States and EC has pushed the question of Japanese rice liberalization into the background.

[Begin Agricultural Minister Yamamoto recording] As rice is the main staple for Japanese people, I have said that Japan's stand cannot be changed. We would like to do our utmost efforts to offer cooperation to make the round a success. Still, as we have said so far, Japan cannot change its basic stand on food which has to do with the life of the people. [end recording]

But members of the Japanese delegation are concerned about the lack of progress. They are worried that if the confrontation between the United States and the EC continues and agricultural talks end in failure, the United States may abruptly intensify pressure on Japan to open its rice market. The third day of the ministerial talks in the Uruguay Round is now beginning in an atmosphere of mounting tensions.

Japan Urged To Drop Airport Plan, End Whaling

OW0512140090 Tokyo KYODO in English 1324 GMT 5 Dec 90

[Text] Perth, Australia, Dec. 5 KYODO—The International Union for Conservation of Nature and Natural Resources (IUCN) ended its eight-day general assembly here Wednesday with a resolution calling upon developed nations to reduce their carbon dioxide discharges 20 percent by the end of the century.

The resolution aims for the stabilization of carbon dioxide exhaust in developed nations by the year 2000 and criticized those countries that, it said, fail to understand the gravity of the global warming problem.

The resolution, opposed by the United States and Saudi Arabia, also called for a halt to deforestation by 2010.

The general assembly also adopted resolutions calling for an end to Japanese research whaling and a rethinking of plans for a new airport on Ishigaki Island, southern Japan.

Environmentalists fear that the airport, planned for the east coast of the island, would destroy the variety of rare coral that thrives in the waters just off the island.

Japanese environmentalists in Perth for the meeting urged the Japanese central and local governments to drop the airport plan.

Japan

Kaifu Welcomes Release of All Hostages by Iraq

OW0612142790 Tokyo NHK General Television Network in Japanese 1340 GMT 6 Dec 90

[Yasuke Oi video report from the Foreign Ministry on Prime Minister Kaifu's comment on reports that Iraq plans to release all foreign hostages; from an extended "NHK News 21" program]

[Text] There has been a comment from Prime Minister Kaifu. I would like to report the comment:

If the reports from Iraq are true and all foreigners are to be freed unconditionally, this is very good news. I think this is a pleasant development.

All the Japanese whose freedom has been restricted for so long and their relatives, I am sure, are very happy about the news. The government will take all necessary steps to bring the Japanese home soon, including an arrangement to send out aircraft.

We strongly desire that the present crisis be resolved in a fair and peaceful manner, in complete compliance with the UN resolutions. We hope that the action taken this time by Iraq will become the first step toward it.

Spokesman Welcomes Iraqi Pledge

OW0612053390 Tokyo KYODO in English 0435 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—The Japanese Government's chief spokesman welcomed Thursday an Iraqi promise to release 36 of the remaining 114 Japanese detained in Iraq since the August 2 invasion of Kuwait.

Chief Cabinet Secretary Misoji Sakamoto said the prospect that the detainees would be freed following a mission to Baghdad by pro wrestler and Parliamentarian Antonio Inoki was a "happy event," and reiterated a call for the immediate release of all hostages.

The Iraqi promise comes only days after U.S. President George Bush cautioned Prime Minister Toshiki Kaifu against allowing Iraq to manipulate hostages in a bid to weaken international solidarity.

On Tuesday, Iraqi Government officials called on Inoki to return to the capital from the airport, where he was preparing to depart for home, in order to prepare a joint communique.

Inoki traveled to Baghdad with 46 relatives of hostages to unite them with their detained family members. He also organized and joined the "festival of peace," featuring rock concerts and traditional Japanese and Iraqi entertainment held in the Iraqi capital Sunday and Monday.

Japan Socialist Party (JSP) Chairwoman Takako Doi, meanwhile, is likely to be the next politician to join the hostage mercy missions to Baghdad, launched by former Prime Minister Yasuhiro Nakasone last month. Party officials said Doi is likely to leave Tokyo for Iraq with a group of JSP parliamentarians on Friday at the earliest.

Nakasone secured the release of 74 Japanese, including 25 who were being held at strategic facilities.

USSR Submits List of Emergency Supplies Needed

OW0612052190 Tokyo KYODO in English 0347 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—Soviet ambassador to Japan Lyudvig Chizhov has submitted a list of food and medical supplies which Moscow wants Japan to offer as emergency assistance, a senior official of a parliamentarians' group said Thursday.

According to the request submitted to Kozo Igarashi, secretary general of the Sakhalin Friendship Parliamentarians League, the Soviet Union has urged Japan to provide 24 kinds of food and medical supplies, including powdered milk, meat, oil, wheat flour, and antibiotics.

The league on Tuesday urged Prime Minister Toshiki Kaifu to give emergency assistance to help the Soviet Union tide over severe shortages of food and medical supplies.

The Foreign Ministry has so far indicated it is ready to offer medical aid, but not food assistance to the Soviet Union.

A group of Japanese Government officials and private transport company executives plan to visit the Soviet Union in January to offer advice on distribution problems.

The ministry, however, says that it is difficult for Japan to offer food aid because the Soviet Union is not eligible under Japan's official foreign aid program.

Soviet Scholar Criticized on POW Allegations

OW0612121190 Tokyo KYODO in English 1027 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—Japan's top spokesman denounced on Thursday allegations by a visiting Soviet scholar that the government here is uninterested in receiving documentation on some 600,000 Japanese who were held in Siberia after World War II as prisoners of war (POW's).

Japan and the Soviet Union are preparing a joint statement paving the way for resolving unanswered questions about the prisoners, Chief Cabinet Secretary Misoji Sakamoto told a regularly scheduled news conference.

Sakamoto said Aleksey Kirichenko, director of international cooperation at the Oriental Studies Institute, was "grossly mistaken" when he asserted in media interviews that Japan is uninterested in the issue.

In an interview published Thursday in the SANKEI SHIMBUN, a conservative daily, Kirichenko said that Japan appears to have lost interest in the issue because it fears it would distract attention from its demand that the Soviet Union return four small islands north of Hokkaido. The Soviets seized the Japanese islands at the end of World War II.

Hideomi Nakajima at the Foreign Ministry's Soviet Union Division said that he believed Kirichenko made the statement in order to shift attention away from the northern islands issue, and to create a more congenial mood for the expected visit by Soviet President Mikhail Gorbachev next April.

Nakajima said that ever since relations were restored in 1956 the Japanese Government has continuously pressed for the release of documents on the estimated 600,000 POW's, and some 60,000 who are believed to have died during forced labor. "The Soviet response until this year was that there are no documents except for those on approximately 4,000 who died," he said.

The government decided to counter the allegations with a prepared message read by the top government spokesman after receiving numerous complaints from Japanese citizens over the government's alleged inaction, Nakajima said.

Kirichenko, chairman of the Soviet-Japan Mutual Understanding Association, made the comments in his capacity as a private Soviet citizen. On Wednesday he signed an agreement to turn over documents on 546,000 Japanese POW's to the All-Japan Former Internees Association.

Soviet Chernobyl Delegation To Arrive 11 Dec

OW0612121090 Tokyo KYODO in English 1057 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—A Soviet delegation will arrive in Japan on Monday to study ways to further alleviate damages in the aftermath of the 1986 Chernobyl nuclear disaster, Foreign Ministry officials said Thursday.

The officials said the delegation will be headed by Valeriy Devyatov, vice chairman of the committee for the elimination of the consequences of the accident at the Chernobyl nuclear power plant.

The delegation will look into the prospects for receiving Japanese radiology specialists in the Soviet Union and dispatching Soviet specialists for training in Japan, they said. The Soviets will also assess the Japanese welfare system for its special treatment for the victims of the Hiroshima and Nagasaki atomic bombings, the officials said.

The delegation will be the first to visit Japan under the provisions of an accord on mutual exchanges of personnel with respect to Chernobyl that was signed between Japan and the Soviet Union last September.

The first Japanese mission to the Soviet Union is scheduled for next January or February, they said.

Last week Japan agreed to fund the purchase of some 2.6 billion yen worth of medical materials that would be used to alleviate the suffering of Chernobyl victims.

Justice Ministry Extends Visas for PRC Students

OW0512145290 Tokyo KYODO in English 1430 GMT 5 Dec 90

[Text] Tokyo, Dec. 5 KYODO—The Justice Ministry has issued 90-day visa extensions to over 10 Chinese exchange students stranded here since Beijing's crackdown on pro-democracy demonstrators in June 1989, ministry officials said Wednesday.

The ministry also said it has told immigration officials to stop stamping passports of Chinese students with an "arranging departure" stamp, responding to criticism that it was an order to leave the country.

Ministry officials met Wednesday with a citizen's group demanding extension visas for the students and reassured the group that they would issue the visas on an individual basis and not forcibly expel any of the students from the country.

Takeshi Arimitsu, leader of the Asia Human Rights Volunteer Network, delivered a petition with 5,800 signatures supporting the students' demands and hailed the ministry's flexible stance. But he said they would continue to demand residents visas for the students since the short-term visas do not permit reentry into Japan nor allow the students to have part-time jobs.

The Immigration Bureau of the Justice Ministry admitted the students' fear of suppression if they are forced home and insisted that there has been no change in its immigration policies, saying, "the procedures just took some time." The bureau said it is also considering a more stable method of allowing the students to stay.

Kaifu Decides To Postpone Cabinet Reshuffle

OW0612070490 Tokyo KYODO in English 0650 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—Prime Minister Toshiki Kaifu has decided to postpone a reshuffle of his cabinet and the ruling Liberal Democratic Party (LDP) executive personnel despite the calls for a reshuffle from some party officials, political sources said Thursday.

The commitment appears to have been conveyed to LDP Secretary General Ichiro Ozawa by Kaifu in talks Thursday following a joint meeting of LDP and government officials, the sources said.

There is a continuing controversy within the governing party over the cabinet reshuffle, with three officials from the three strongest LDP factions calling for "a strong party atmosphere," and urging the personnel change within this year.

Former Prime Minister Noboru Takeshita, who still wields strong influence over LDP affairs as leader of the biggest faction, has agreed with Kaifu to postpone the reshuffle until sometime next year, the sources said.

Former Foreign Minister Shintaro Abe, who has been repeatedly in and out of the hospital due to poor health since last year but is vowing to come back to the political front line, showed sympathy for the demands of the three faction officials for an early reshuffle, the sources said.

Party sources said the timing of the reshuffle is desired by some leaders to take place around December 20 when the domestic political calendar will be relatively relaxed.

Kaifu, in meetings with Takeshita and former Deputy Prime Minister Shin Kanemaru earlier this week, expressed the view that a reshuffle within the year is impossible, the sources said.

In a press conference Wednesday, Kaifu indicated he does not favor a cabinet and LDP reshuffle by year-end because of the pressure of foreign and domestic political events.

Official Urges 'Common Sense'

OW0512135490 Tokyo KYODO in English 1228 GMT 5 Dec 90

[Text] Tokyo, Dec. 5 KYODO—A top government official said Wednesday it is "common sense" not to "change horses in the middle of the stream," indicating a reluctance to push for a cabinet reshuffle rumored for later this month.

Forces within the ruling Liberal Democratic Party [LDP] have reportedly been attempting to rally support for such an early change, possibly around December 20, and members of the three largest factions within the party have said it should be carried out at the earliest opportunity.

The government official, however, speaking on condition of anonymity, said Wednesday, "we are faced with a mountain of political problems. And, if changing horses in the middle of the stream provides us with the energy to manage these pending issues, it might be good. "But, if it would detract (from the problems), then it's better not to (make the reshuffle). It's common sense," the official said.

The Diet, which convenes for a regular session next Monday, is expected to be confronted with deliberation over a supplementary budget for fiscal 1990, tax reforms, and the defense budget for the coming years, in addition to the problems surrounding the multilateral trade talks currently under way in Brussels.

Earlier at a press conference in Niigata, Prime Minister Toshiki Kaifu avoided specific comments on the rumored reshuffle, saying obliquely he would devote all his energies to confronting Japan's international and domestic problems separately.

The official concurred with Kaifu's remark and said, "in the old days it was 'one cabinet for one problem,' but we are no longer in that era of deliberateness." He added, "the prime minister listens to other people's opinions when it comes to political problems, but personnel is the exclusive right of the prime minister," indicating a belief that the decision to reshuffle the cabinet would ultimately come from Kaifu.

Senior officials of the party's three major factions have called on former Prime Minister Noboru Takeshita for his support in pressing Kaifu to make the reshuffle.

"These senior officials have their own positions," the official said, but insisted that the decision on a cabinet change would not come from the party factions.

'Radical Elements' Suspected in Kyoto Explosion

OW0512154990 Tokyo KYODO in English 1352 GMT 5 Dec 90

[Text] Kyoto, Dec. 5 KYODO—Three policemen were injured in an explosion at a police box in Kyoto on Wednesday evening, police said.

The explosion occurred at the two-story police box in Yamashina Ward around 7:35 P.M. and almost completely destroyed the interior, they said.

Police Officer Masayuki Harada, 29, was seriously injured in the face and legs and was taken to a nearby hospital. Two other policemen were slightly injured.

The explosion happened in the wake of a visit to Kyoto by Emperor Akihito and Empress Michiko earlier this week under heavy security to report on last month's enthronement ceremonies at the mausoleums of Emperor Komei and Emperor Meiji. The blast occurred shortly after the policemen had returned to the box after having left it to investigate a nearby quarrel.

Police suspect that radical elements opposing the emperor system planted an explosive or threw it into the police box. This is the 11th attack on police facilities this year.

'Radicals' Suspected in Blasts Near Ise Shrine

OW0612080990 Tokyo KYODO in English 0750 GMT 6 Dec 90

[Text] Tsu, Dec. 6 KYODO—Authorities suspect blasts at a cemetery in Ise, Mie Prefecture, on Wednesday night were aimed at Ise shrine by radicals opposed to the imperial system, police said Thursday.

Ise shrine is the home of the ancestral gods of the imperial family.

Three launching pipes for projectiles, and a hole two meters in diameter and one meter in depth were found at the site, 500 meters east of the shrine, police said.

Police estimate three projectiles were fired at 9 P.M. and a time bomb exploded 40 minutes later. There was no damage, police said.

Meanwhile, two trucks from a transportation business company in Kyoto were set alight early Thursday morning. The company, Kondo Kompo, transported the six-meter high "Takamikura" throne on which Emperor Akihito ascended at the enthronement ceremony on November 12.

Time ignition devices were found and police suspect radicals for the arson.

The throne had been kept at the Imperial Palace in Kyoto and was brought to Tokyo in May by a helicopter of the Self-Defense Forces.

The throne was returned to Kyoto on Tuesday.

Government Considering Asian Tour for Emperor

OW0512122690 Tokyo KYODO in English 1103 GMT 5 Dec 90

[Text] Tokyo, Dec. 5 KYODO—With ceremonies and rituals relating to the enthronement of Emperor Akihito finally at an end, the government is considering the Japanese monarch's first trip overseas after his enthronement, government sources said Wednesday.

The sources said the emperor will likely visit three member nations of the Association of Southeast Asian Nations (ASEAN)—Thailand, Malaysia, and Indonesia—some time next year because of their close relations with the imperial family and the belief that the emperor's first journey should be to the Asian region.

The government is considering either a time in early May or in the fall, when weather would be at its most pleasant for the tour, the sources said.

South Korea and China are also being considered as destinations for the tour, but a spate of delicate political concerns, including bilateral normalization talks with North Korea and the on-going debate over the legal status of Japan's Korean minority, have made them less likely choices, the sources said.

Several foreign dignitaries from the 158 nations and two international organizations that attended the November 12 enthronement ceremonies extended invitations to the emperor and Empress Michiko to visit their countries.

The Japanese Government is also considering how a trip to these nations would best promote international goodwill, naming Denmark, Norway, and several other European nations.

Nevertheless, the prevalent notion is that the emperor's tour should be to Asia in view of Thailand and Malaysia's close relations with the imperial family and Indonesia's position as the ASEAN leader. Further discussions may also expand the scope of the tour.

The government also appears to be ready to consider South Korea, China, and the United States as imperial tour destinations in the future.

LDP Approves Package on Land Tax Reforms

OW0612131690 Tokyo KYODO in English 1144 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—The ruling Liberal Democratic Party (LDP) on Thursday gave the official nod to a package plan of land tax reforms, including a controversial new tax on land ownership, but analysts called it too conservative to put a substantial damper on Japan's sky-high land prices.

The approved package was drawn up by the party's tax system research council, which gathered earlier in the day to put the finishing touches to the proposed new tax, tentatively called the Land Holding Tax, which is the main pillar of the land tax reform plans.

The rate of the land holding tax is set at 0.3 percent, though it is to be held down to 0.2 percent during a one-year transitional period after its introduction on January 1, 1992.

The new levy will be applied to properties worth 1 billion yen or more, except for those owned by individuals and small to medium-scale companies with capital of 100 million yen or less, who will have to pay taxes only on properties valued at more than 1.5 billion yen . Land valued at 30,000 yen or less per square meter will also be exempt.

For land that is covered by the tax, it will be applied to an assessed value for inheritance tax purposes, minus either 1 billion yen or 30,000 yen for each square meter of land, whichever results in a lower tax payment. The assessed value represents only 50-60 percent of true values.

The proposal finally approved is considerably modest compared with an original plan, submitted on Monday by Masajuro Shiokawa, the council's chairman, who suggested a 0.5 percent tax rate and a 500 million yen floor. Shiokawa modified his proposal later, in the face of stiff opposition within the LDP, which was concerned that a drastic tax hike might hurt the party's performance in the local elections slated for next April.

The new tax, to be reviewed every five years, will also be weakened by a number of exemptions.

The levy will not apply to land owned by central or local governments, or that being used for public purposes such as hospitals, schools, and public utilities. Residential lots of 1,000 square meters or less owned by private citizens will also be exempt, as will farmland, except for that not used for farm production. The farmland to be used as residential areas in future will be nontaxable for the first five years after the tax has been introduced.

The analysts said these limitations mean the new tax will affect less than 50,000 individual and corporate taxpayers, most of them big businesses, compared with 200,000-300,000 under the original scheme.

They estimated the tax will earn the Japanese exchequer less than 300 hundred billion yen, against the originally envisaged 1 trillion yen, which is to be used to reduce other taxes and to implement measures to cut land prices. The package also called for increased taxation on profits from sales of land owned by both individuals and businesses.

The LDP decided to raise the rate of tax on profits from transfer of land owned by individuals for more than five years to 30 percent beginning in 1992, from the current 20-25 percent.

In addition, the rate of local resident tax imposed on those individuals will be hiked to 9 percent from 6-7.5 percent at present.

The levy on profits from sales of land held for two years or less by businesses would also be increased to 67.5 percent from the current 30 percent by separating such profits from other corporate profits in calculating tax.

The package will also end preferential tax treatment for farmers in Japan's three biggest metropolitan areas—Tokyo, Osaka, and Nagoya—who are now enjoying lower rates for inheritance and fixed-property taxes.

Farmland not used for farm production will be subject to the same level of fixed-property taxes as residential areas.

The measures are intended to encourage such farmland owners to sell their properties to increase supplies of residential land.

Concerning inheritance tax, the LDP agreed to raise the minimum tax rate in the reforms scheduled for fiscal 1992.

Business Community Criticizes Plan

OW0612134390 Tokyo KYODO in English 1258 GMT 6 Dec 90

[Text] Tokyo, Dec. 6 KYODO—Japan's business community on Thursday lashed out at a package plan of land tax reforms endorsed by the ruling Liberal Democratic Party [LDP], saying that it would only increase tax burdens on corporations without holding down sky-high land prices.

"At best, it's taxing more big corporations with huge land assets," said Takashi Ishihara, president of the Japan Association of Corporate Executives (Keizai Doyukai).

The package, drawn up by the LDP's tax writing panel, features a new tax on land ownership, the main pillar of the land tax reforms aimed at curbing astronomical land prices.

The new tax, dubbed the land holding tax, would be imposed on land properties valued at 1 billion yen or more, but with a number of exemptions.

Business leaders united in pointing out that the chronic land inflation will not be resolved merely by taxation and that other measures are needed.

"The main cause of land price inflation is the extreme imbalance between supply and demand," said Hajime Tsubori, chairman of the Real Estate Company Association of Japan. "Without measures to supply more land, the new tax cannot serve as a means of holding down land prices," said Tsuboi, also chairman of Mitsui Real Estate Development Co.

The tax proposal drew a torrent of stronger criticism from steelmakers and automakers, two property-rich concerns, although they welcomed a cut in the tax rate to 0.3 percent from the originally proposed 0.5 percent.

"The target of the new tax is biased against big companies," said Hiroshi Saito, president of the Japan Iron and Steel Federation. "It would overlap with the existing tax on fixed assets," he added.

At present, there are still various taxes on land assets, including the tax on fixed assets, with different measures of evaluating such assets for taxation.

Yutaka Kume, president of the Japan Automobile Manufacturers' Association, blasted the new tax for lacking a clear purpose for its introduction. "The purpose of the new tax is unclear, and the process of debate (on the tax) suggests that a new tax is primarily something among government and LDP officials," he said.

The new land holding tax was originally proposed by a government panel last month, involving government and LDP officials.

According to the latest survey by the National Land Agency, the nation's residential land prices climbed more than 13 percent in the year ended on July 1, after nearly doubling over the past five years.

Price Cut in Consumer Rice Prices Planned

OW0412122790 Tokyo KYODO in English 0854 GMT 4 Dec 90

[Text] Tokyo, Dec. 4 KYODO—The Ministry of Agriculture, Forestry, and Fisheries plans to cut consumer prices for rice harvested in 1990 by 1-2 percent in February, officials said.

The planned price cut is designed to keep pace with a 1.5 percent reduction in the price the government pays farmers for their rice. The decision is also in line with a Japanese proposal for a slight cut in agricultural subsidies at the Uruguay Round of multinational trade talks.

The proposal calls for a 5.4 percent cut in government subsidies for three farm items, including rice, over the 1990-96 period.

The officials said the Finance Ministry was opposed to a substantial cut in the consumer rice price, as it hopes to trim the 232 billion yen deficit in the special rice control account for fiscal 1990.

The Finance Ministry also argues that, even without a cut in the consumer price, rising fuel and distribution costs mean that the government is already paying about 2,400 yen per 60 kilograms more than it charges consumers, the officials said.

The Agriculture Ministry hopes to make a formal decision on the cut as early as December 20 after deliberations by the Rice Price Council, an advisory panel to the agriculture minister, the officials said.

BOJ Announces Steps To Liberalize Money Market

OW0412122290 Tokyo KYODO in English 1157 GMT 4 Dec 90

[Text] Tokyo, Dec. 4 KYODO—The Bank of Japan [BOJ] on Tuesday announced a set of measures aimed at further liberalizing the nation's money market and giving it more flexibility in liquidity management.

The central bank's latest measures to revamp Japan's money market call for adding bills secured by corporate and public bonds, as well as foreign currency-denominated commercial bills, to tools used for its market operations on government bills.

The BOJ currently allows only yen-denominated commercial bills to be used as collateral for its operations targeted at such short-term government debt as treasury bills and debt-financing bills. It also said it will expand the scope of government bills subject to its opertions carried out at market rates by adding bills with maturities of one to three months. It would also allow direct fund transactions among commercial banks.

At present, the BOJ in principle permits such transactions only through short-term money houses, or money brokers locally known as "Tanshi Gaisha." The regulation is designed to prevent overheated competition for such deposits.

The central bank also indicated that it will permit newcomers to enter the short-term money broking business, a move sought by foreign countries wanting greater access to Japan's money market. The measures, to be phased in beginning early next year, are in line with recommendations made last June by the short term financial markets study group, an advisory body to the BOJ and Finance Ministry.

The advisory group said short-term government debt, including treasury bills, should play the chief role in the central bank's money market operations. As a result, the Finance Ministry has decided to offer such bills twice a month and announce the results of each auction the same day in order to increase demand.

Central bank officials said they expect the latest measures to lessen the central bank's reliance on direct loans to large commercial banks over treasury bills when supplying cash to the market.

In Japan-U.S. financial negotiations, U.S. Treasury officials have argued that such loans, which are often made at below-market rates, constitute a subsidy to domestic institutions and hinder fair access to cash by foreign banks.

Company To Help Boost Iranian Steel Production

OW0612122290 Tokyo KYODO in English 0915 GMT 6 Dec 90

[Text] Osaka, Dec. 6 KYODO—Kobe Steel Ltd. said Thursday it had agreed with Iranian steel industry authorities to provide an estimated 10 billion yen technological assistance for the country's steel production.

Kobe Steel has received plant construction contracts from the Iranian steel industry, but the new agreement is the largest so far involving technological cooperation, company officials said.

According to the agreement, Kobe Steel will help Iran's steel plant in Ahwaz, some 60 kilometers southwest of Tehran. It was established in 1989 as the third largest state-run steel production facility in the country.

The officials said Ahwaz is designed to have an annual production capacity of 1.5 million tons, but actual production is limited to about 200,000 tons a year due to less advanced production facilities and technology.

Kobe steel will send engineers to Ahwaz later this month to examine the current state of production facilities there. As part of the agreement, Kobe Steel will also assist, over three years, in the renovation of the Ahwaz facility and the training of staff in Iran and in Japan, the officials said.

'Source' on Telecom System Deal With Hungary

OW0512121890 Tokyo KYODO in English 1148 GMT 5 Dec 90

[Text] Tokyo, Dec. 5 KYODO—NEC Corp., a major Japanese electronics company, has won a 20 billion yen order from Hungary's telecommunications firm for a large-scale telecommunications system, a source familiar with the deal said Wednesday.

The system, mainly consisting of ground wireless phone stations and phone exchange equipment, will be used for a project to modernize telecommunications networks in that country, the source told KYODO NEWS SERVICE.

The deal, still subject to financing from the governmental Export-Import Bank of Japan, would mark the first major telecommunications project involving a Japanese concern in Eastern Europe since pro-democracy movements swept through the communist bloc last year. A spokeswoman for NEC, however, has denied that there has been a deal.

According to the source, the Hungarian concern is also sounding out NEC about its intention to form a joint venture for production of wireless phone systems in Hungary and seeking cooperation in construction of optical-cable and satellite communications networks.

Like other East European countries, Hungary is now trying to develop modern telecommunications networks nationwide to facilitate economic development.

Western telecommunications equipment manufacturers, trying to take advantage of such business opportunities, are competing for big orders from the East. Industry sources said NEC's deal would intensify such competition.

North Korea

N-S Liaison Officers' Contact Reported

SK0512141990 Pyongyang Domestic Service in Korean 1300 GMT 5 Dec 90

[Text] The responsible liaison officers' contact of the North and the South to discuss the holding of the fourth round of working delegates' contact and the timetable for the third round of North-South High-Level Talks was held at the Tongilgak in our side's area in Panmunjom beginning at 1000 on 5 December.

At the contact, our side first said that arresting and detaining the South side's delegates who returned to Seoul after participating in the three-way working talks in Berlin—at a time when the yearning for reunification is greater than ever before among the fellow countrymen at home and abroad and an advantageous atmosphere for national unity and reunification is being made by the multi-channeled dialogue and exchange between the North and the South—adversely affects the North-South relations which are developing well and affects the multi-channeled North-South dialogue, and strongly demanded that they be released without condition.

Then, at the contact, the two sides discussed the holding of the fourth round of working delegates' contact for the third North-South High-Level Talks. Here, the South side asserted that there is no need for any more working delegates' contact, and our side decided to take that into consideration. Also, at the contact, the two sides discussed the timetable for the third round of North-South High-Level Talks, and agreed to hold another round of responsible liaison officers' contact of the two sides in the South side's area in Panmunjom at 1500 on 7 December.

Daily Calls for Release of Berlin Delegates

SK0612063390 Pyongyang KCNA in English 0438 GMT 6 Dec 90

["Patriotic Champions of Reunification Must Be Released at Once"—KCNA headline]

[Text] Pyongyang December 6 (KCNA)—If the South Korean authorities truly want to have dialogue with us and have an intention to solve the reunification question, they must look straight, though belatedly, at the trend of the times and unconditionally and immediately release all the patriotic champions of reunification including delegates of the South side's promotion headquarters to the pan-national rally and Yim Su-Kyong and Mun Kyu-hyon.

A news analyst of NODONG SINMUN says this today, condemning the No Tae-u puppet clique for arresting the South side's delegates to the Berlin tripartite talks.

Noting that the activities of the South side's delegates cannot be incriminated, but they deserve to be praised by the whole nation, the author of the commentary says:

It cannot be construed otherwise but an act to spoil the atmosphere of national reconciliation and unity and lay artificial obstacles in the way of the North-South dialogue that the puppets arrested patriotic fugures at a time when multi-channeled dialogues are going on between the North and the South.

The South Korean authorities charge that the arrested personages had a contact with us without their "permission". It is nonsensical. There is no need for Koreans in the North and the South and overseas to get a permission from anyone in meeting for national reunification.

The South Korean authorities' high-handed act reveals once again how deadly they, who have abused the dialogue for their splittist purpose, regarding it as their exclusive possession, are afraid of the development of civilian-level dialogue.

The prospect of North-South dialogue and the development of the North-South relations depends on the South Korean authorities' stand.

We, together with all the patriotic forces for reunification at home and abroad, will watch the attitude of the South Korean authorities.

Kim Il-chol Leads Naval Delegation to USSR

SK0512123590 Pyongyang KCNA in English 1022 GMT 5 Dec 90

[Text] Pyongyang December 5 (KCNA)—A naval delegation of the Korean People's Army [KPA] headed by Admiral Kim Il-chol left here today for a visit to the Soviet Union.

It was seen off at the airport by Vice-Admiral Hwang Sok-kyun of the KPA and the military attache of the Soviet Embassy here.

Progress on Cultural Agreement With Syria Noted

SK0512071990 Pyongyang KCNA in English 0434 GMT 5 Dec 90

[Text] Pyongyang December 5 (KCNA)—An executive plan for 1991, 1992 and 1993 on implementing the cultural agreement between the governments of the Democratic People's Republic of Korea and the Syrian Arab Republic was signed in Syria on November 28.

It was signed by head of the DPRK Government cultural delegation Pak Tong-chun, vice-chairman of the Committee for Cultural Relations with Foreign Countries, and Aid Abdou [as received], deputy minister of education of Syria.

KCNA Reviews 6 Dec Pyongyang Press

SK0612065490 Pyongyang KCNA in English 0443 GMT 6 Dec 90

[Text] Pyongyang December 6 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received the Guinean Government agricultural delegation on December 5.

President Kim Il-song received credentials respectively from the newly-appointed ambassadors extraordinary and plenipotentiary of Mozambique and Zimbabwe to Korea, according to the press.

Dailies carry a message of greetings sent by President Kim Il- song of the Democratic People's Republic of Korea to Finnish President Mauno Koivisto on the occasion of the 73rd anniversary of the independence of Finland.

Dear Comrade Kim Chong-il received gifts from the presidents of Guinea and Mozambique, says the press.

Papers give an account of a meeting of soldiers and builders for resolving to carry through on-the-spot instructions of President Kim Il-song which was held at the construction site of the Sariwon potassic fertilizer complex.

NODONG SINMUN tells a story that after the liberation of the country Comrade Kim Chong-suk, an indomitable communist revelutionary fighter, energetically roused the people to build a new country in the area of North Hamgyong Province.

It is reported in the press that the DPRK military delegation left Thailand and the delegation returned home after visiting Iran and Thailand, the new DPRK ambassador extraordinary and plenipotentiary to Botswana presented his credentials to the president of Botswana and the prime minister of Barbados met the DPRK ambassador to his country.

NODONG SINMUN informs the readers that more than 2.5 million trees have been planted at the Mt. Paektu secret camp this year.

Dailies give an account of the second national meeting of young frontrankers in invention and rationalization which was held in Pyongyang.

Economic news of the press includes reports about the increased production at the Pyongyang silk mill and the energetic farming preparations for next year at rural communities.

Dailies observe the day of chemical industry.

A NODONG SINMUN article stresses that it is important in implementing the taean work system to enhance the role of the party committees of complexes.

Dailies report about the contact between chief liaison officials of delegations to North-South High-Level Talks held in Panmunjom on December 5.

Dailies carry a statement published by the spokesman for the Central Committee of the Democratic Front for the Reunification of the Fatherland denouncing the South Korean fascist clique for arresting and persecuting the delegates of the South side's promotion headquarters who had participated in the Berlin tripartite working-level talks of the pan-national alliance for reunification. The press also carries news that the People's Alliance of South Korea demanded a prompt release of the delegates.

NODONG SINMUN comes out with a commentary condemning their suppression.

South Korean news of the press includes reports that delegates of 40 Christian organizations and churches demanded the adoption of a nonaggression declaration between the North and the South.

NODONG SINMUN stresses in an article that the Korean people's cause of reunification cannot be fooled by the U.S. imperialists, the outside forces.

Conveyed in the press are voices of foreigners and Koreans overseas who visited the West Sea barrage, a grand monumental edifice in the era of the Workers' Party.

It is reported in the press that Comrades Jiang Zemin and Li Peng took part in a construction labour in the suburbs of Beijing, the 10th anniversary of the establishment of the Shenzen special economic zone was celebrated in China, the day of the Revolutionary Armed Forces was marked in Cuba, the general secretary of the C.C., the Communist Party of the Soviet Union elaborated on the situation within the party, the draft party's program adopted by the C.C., the Communist Party of Vietnam said the party regards the idea of the working class as its ideological foundation, the general secretary of the Communist Party of Nepal (Maxist-Leninist) declared communists must always follow the ideal of socialism and communism, the former Tanzanian president called for close cooperation between Third World countries and the non-aligned and developing countries are cooperating in the domain of information.

Papers observe the 73rd anniversary of the independence of Finland.

A NODONG SINMUN article brands the U.S.-South Korea military cooperation as a war cooperation.

NODONG SINMUN on Party Indestructibility

SK0512140890 Pyongyang Domestic Service in Korean 0020 GMT 1 Dec 90

[NODONG SINMUN 1 December special article: "Our Party Is the Indestructible Revolutionary Party Which Has Been Built, Strengthened, and Developed According to the Chuche Party Building Theory"]

[Text] Our party has high leadership authority and indestructible might. Today our party is called a new chuche-type party and is demonstrating its proud features as a great party that has built up immortal achievements for the fatherland, the people, the times, and history because it makes the great chuche party building theory as its guiding policy. The chuche party building theory, which has been founded by the respected and beloved leader Comrade Kim Il-song and inherited and developed by our party, is an original theory that was first put forth based by the new man-centered guiding ideology and comprehensively systematized, and a completed theory that gives perfect answers to all the theoretical and practical problems arising in the party building in our times.

All the functionaries, party members, and working people should firmly arm themselves with the profound chuche party building theory set forth by our party and thoroughly embody it so that they can more vigorously accelerate the party's cause, the socialist cause.

1. The chuche party building theory, which the respected and beloved leader Comrade Kim Il-song founded and our party inherited and developed, is a totally new and original theory. The party's leadership is the lifeline of the socialist cause, and a correct party building ideology and theory are a guiding policy for building a strong and mighty party.

The working-class party should have a correct guiding ideology which conforms to the demand of the times and a scientific party building theory which is developed from it, so that it can sweep over the entire party membership with one ideology, rally the broad masses firmly around the party, and ensure inheritance in the party's leadership, thereby successfully solving the difficult and complicated problems arising in the party building, and complete the socialist cause whatever the hardships.

Our party's guiding ideology is the great chuche idea. The chuche idea built our party and has pioneered the party's cause. The fundamental characteristic of our party, as well as the source of its greatness, lies in the fact that it makes the chuche idea its only guiding ideology and makes the new chuche party building theory its guiding policy. The chuche party building theory becomes a new and original theory because it is developed based on the new principles elucidated by the chuche idea.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the party Central Committee has noted: The great leader Comrade Kim Il-song scientifically clarified the fundamental nature of man for the first time in history, newly elucidated the principles of the social and historical movement as an independent, creative, and purposeful movement, and originally developed the party building theory of the working class based on it. Thus, the principles of chuche party building, which is an epochal turning point in the working-class party building theory, was founded.

In any ideology or theory, its originality and superiority come from the founding principles. The founding principles should contain the new and popular truth so that all the ideology and theory clarified and developed based on them can be of a scientific, revolutionary, and realistic nature and exert great vitality. The chuche party building theory is a theory which is developed and systematized based on the scientific elucidation of the fundamental nature of man and the social and historical principles which were elucidated by the great chuche idea for the first time in history.

The working-class party is a political organization in which people are assembled, and the object of its work is people. Therefore, the principles and theory of party building should be developed based on the scientific clarification of man's fundamental nature. In particular, since all the activities of man are regulated by his ideology and consciousness, the principles of ideological theory should be thoroughly embodied in the working-class party building.

Because the fundamental nature of man is scientifically clarified and the principles of the social and historical movement is newly clarified as an independent, creative, and purposeful movement of the popular masses by the great chuche idea, many problems, including the party's ideology building principles, which remained unsolved in the past, have been clarified. This is a great achievement of the chuche idea that contributed to the development of the working-class party building theory.

The chuche party building theory becomes a new and original theory because it reflects the demands of the party building of the new era, the era of independence. The historical environment has changed in our times, the era of independence. The communist core was prepared in many nation-states which could build the working-class party and carry on the revolution independently, and broad popular masses launched themselves into the struggle for independence. This new historical environment of our times made it a requisite for the communists to take the responsibility for the revolution of their countries, to carry on the revolution independently in conformity with the reality of their countries, and to carry out the party building cause independently.

The working-class party should be built independently, because the working-class party is an independent and leading political organization that struggles to oppose all forms of domination and subjugation and realize the independence of the working popular masses. The respected and beloved leader Comrade Kim Il-song, based on his scientific insight into the demand of our times and the inevitability of the party building and on his firm chuche position, newly pioneered the road of independent party building. This gave birth to the original chuche party building theory which enables all the problems arising in party building and party activities to be resolved independently in conformity with the aspiration and demands of the people of their country and the specific reality of their country.

Another important aspect of the chuche party building theory becoming a new and scientific theory is that it contains extraordinarily abundant practical experiences. Many years have passed since the working-class party appeared on the stage of history. In this process, many parties representing the interests of the working class and the working popular masses emerged in the world, achieving various experiences of party building. The chuche party building theory contains not only all the experiences obtained in the past but also the party building experiences attained during the times of comprehensively accelerating socialist construction and many valuable party building experiences in our times. In particular, it embodies the glorious history of the revolutionary activities of the respected and beloved leader Comrade Kim Il-song who has pioneered the chuche party building cause and has led it victoriously over the long period far exceeding half a century.

The respected and beloved leader Comrade Kim Il-song, organizing and leading the entire process of party building from the party founding to solidifying and developing the party, has accumulated numerous original experiences. The great leader organized the first party organization with the new generation of young communists, different from the existing party founding policy, expanded the party organizations in various districts using them as the mother's body, and founded the party on the basis of firmly building up the party's organizational and ideological foundation. After founding the party, the great leader often visited the party organizations of various levels, including the party cells, and gave them his personal guidance, thereby developing and enriching the experiences of party building.

The respected and beloved leader Comrade Kim Il-song has fought at different revolutionary stages and under different fighting conditions while organizing and leading all stages of the revolutionary struggle, ranging from the anti-Japanese revolutionary struggle to the democratic revolution, the socialist revolution, and socialist construction. His experience in the construction of the party is immeasurably rich.

On the basis of this diverse and extraordinarily rich experience he has personally achieved, the respected and beloved leader Comrade Kim Il-song has systematized a new theory on the building of the party. In particuiar, he has consummated a theory on the construction of the ruling party on the basis of his extensive experience in building the ruling party.

The respected and beloved leader Comrade Kim Il-song's theory and tradition of the construction of a chuche-oriented party have been resolutely defended, purely inherited, and fully deepened and developed by dear Comrade Kim Chong-il.

Since the initial period of his leading of the revolution and construction, our party has consistently adhered to the theory of building a chuche-oriented party and has thoroughly embodied it into all domains of the activities of the party. In this course, our party has registered immortal achievements which will shine forever in history.

How energetically our party has worked to deepen, develop, and thoroughly embody the theory of building a chuche-oriented party can be clearly grasped through many published works.

Our party's works—including the work "The Workers' Party of Korea [WPK] Is a Chuche-Type Revolutionary Party Which Inherits the Glorious Tradition of the Down-With-Imperialism Union," the work "On Thoroughly Establishing the Party's Leadership System," and the work "On Further Improving and Strengthening the Party's Ideological Work"—comprehensively elucidate profound ideas and theories on solving all the problems arising in the construction and activities of the party as demanded by the party.

In particular, our party has recently fully clarified the originality and justness of the theory of building a chuche-oriented party, thus giving our people great pride and confidence in being a people with the great party which marches under the banner of the chuche idea.

All great victories, achievements, immortal exploits, and fighting experiences, which our party has attained amid the struggle to imbue the entire party with the chuche idea, are the results of the comprehensive development and enrichment of the theory on the building of a chuche-oriented party created by the great leader Comrade Kim Il-song.

In this way, the theory on the building of a chuche-oriented party founded by the respected and beloved leader Comrade Kim Il-song and inherited and developed by our party is an original party building theory on the basis of the chuche idea—a new guiding idea of the revolution—and an encyclopedic party construction theory in which all experiences in the party's activities at different revolutionary stages and in fighting conditions have been fully consummated.

All theoretical and practical problems in building the party in an era of independence have been newly and scientifically solved by the theory of building a chuche-oriented party. This is a great event which will shine forever in the history of the construction of the party of the working class.

2. The theory on building a chuche-oriented party created by the great leader Comrade Kim Il-song and inherited and developed by our party is a consummated theory on the construction of the party of the working class in our times.

Comrade Kim Chong-il, member of the Political Bureau Presidium and secretary of the party Central Committee, has noted: The theory on building a chuche-oriented party is a perfect party of the working class theory in our times.

The theory on building a chuche-oriented party, above all, clearly indicates the road for constructing the party on the basis of the unitary ideological system. Building the party on the basis of the unitary ideological system is an inevitable demand and a peculiar characteristic of building the party of the working class.

The party's unitary ideological system means the leader's ideological system and his leadership system. Only when the party's unitary ideological system is established can the entire party become a living organic body which is armed with the leader's idea and works and moves according to his ideological will.

Our party has elucidated the status and role of the leader in discharging the revolutionary cause of the working class and on this basis, has systematized the theory on establishing the party's unitary ideological system.

The problem concerning the status and role of the leader is not merely a problem of status, but a problem of the center of a social and political organic body—the supreme brain. Just as there exists a brain in man's organic body which commands and controls all living activities, there must be a brain which uniformally organizes and commands the activities of a social and political organic body. It is the leader who plays the role of the brain in a social and political organic body.

The will of the members of a social and political organic body is pooled by the leader, and the unity of their action is realized by his leadership. This shows that the party of the working class should firmly establish the ideological system of the leader and his leadership system to guarantee ideological and leadership unitarianism within itself.

Our party has consistently set forth establishing the unitary ideological system as the basic lines for the construction of the party and has thoroughly embodied them, thus thoroughly establishing the leader's ideological system and his leadership system within the entire party.

The entire course in which our party was founded and has been strengthened and developed is a process in which the work of establishing the party's unitary ideological system has been constantly deepened.

Today the entire party has been strengthened and developed into the ranks of loyalty which only thinks and acts according to the intention of the party and the leader in firm unity around the party Central Committee led by the great leader Comrade Kim Il-song. This is the most precious gain attained in the protracted struggle of the Korean communists to build the party.

Also, the theory on building a chuche-oriented party most correctly indicates the way for building a masses-oriented party. The party of the working class, which represents the interests of a wide range of popular working masses, is constructed into a masses-oriented party. This is an inevitable demand. Building the party of the working class into a masses-oriented party has been raised as a more urgent problem in a new historical era in which the party's social and class foundation has been matchlessly expanded.

When the party of the working class has taken power, more favorable conditions for developing the party into a masses-oriented party are provided. In particular, when a socialist revolution has been carried out, those in different classes and strata all become socialist workers. In addition, the party's social and class foundation is further expanded, because the social and economic status of social members are remodeled after the working class in the course of progress in socialist construction.

The party of the working class in a socialist society should be built into a masses-oriented party containing the progressive elements of workers, peasants, and working intellectuals.

The construction of a masses-oriented party presupposes the qualitative consolidation of the party. No matter how many party members it may have, if a party has not been firmly composed of resolute revolutionaries who can share the fate of the party to the end then it cannot be called a true masses-oriented party.

Our party has thoroughly abided by the principle of revolutionary organization in the work of the party's growth, and has importantly emphasized and strongly pushed ahead with the work of consolidating the party in terms of quality, including the work of nurturing core party members and disciplining the party-minded spirit of the party members.

Our party has thoroughly implemented the lines of building a masses-oriented party, closely combining the quantitative growth of the party with its qualitative consolidation. Thus, it has strengthened and developed itself into a powerful and mighty party which has taken its deep roots among a wide range of masses of all walks of life, including workers, peasants, and working intellectuals.

The theory on building a chuche-oriented party also correctly indicates a way for constructing a party with a high organizational and disciplinary spirit. A revolutionary organizational and disciplinary spirit is the life of the party of the working class.

The party of the working class is a militant weapon which leads a fierce class struggle and the headquarters of the revolution which organizes and leads the revolutionary struggle and construction work while breaking through a barrier of ordeals and difficulties. The party of the working class should not become a shapeless collective, but a militant unit with a strong organizational and disciplinary spirit. An important principle in building an organized and disciplined party is a democratic centralism.

To correctly embody the principle of a democratic centralism in the party, the basic demands of a democratic centralism and the form of the combination of centralism with democracy should be correctly defined. This has been clearly defined by the theory on building a chuche-oriented party.

The party's centralism is aimed at realizing the party's unitary leadership, and democracy within the party is stirring the creativity of the party masses on the basis of the leader's ideas and the party's lines and policies.

Centralism should be combined with democracy in the way that democracy is guaranteed giving priority to centralism. When only democracy is stressed without emphasizing centralism, indiscipline and disorder are created within the party.

Our party has correctly embodied the principle of democratic centralism and has strengthened the party life of its members on the basis of the firm establishment of the party's unitary ideological system. As a result, it has been strengthened and developed into an invincible revolutionary party with a strong organizational and disciplinary spirit with which the entire party moves under the unitary leadership of the party.

The theory on building a chuche-oriented party is also an invaluable guideline which makes it possible to thoroughly embody the fundamental principle of building the party—adopting work with men as basic work in the party's work.

The chuche-oriented party building theory on adopting work with men as basic work relies on the philosophic principle of the chuche idea that men are the masters of everything and decide on everything.

As long as men are the main force which pushs ahead with the revolution and construction, the party of the working class should solve all problems in the construction and activities of the party through organizational and political work.

Our party has firmly turned its work into work with men—work with cadres, work with party members, and work with the masses—and has established an orderly system of work with cadres, system of guiding party life, and system of work with the masses.

Work with men is work with their ideas. Work with men's ideas means remodeling their ideas in a revolutionary manner and inciting their ideas in the revolution and construction.

Our party has always paid primary attention to the education of the party members and workers in ideology and has pressed vigorously ahead with ideological indoctrination work. Our party has rendered all ideological indoctrination work consistent with revolutionary contents on the basis of the chuche idea and has constantly deepened and developed the form and method of ideological work in conformity with the demands of developing realities. As a result, our party has been able to firmly organize itself and the revolutionary ranks organizationally and ideologically and to strengthen the main forces of the revolution in an extraordinary manner, and on this basis, has vigorously accelerated the revolution and construction.

The theory on building a chuche-oriented party also indicates a correct way for making it possible to most brilliantly realize the party's political leadership toward the revolution and construction.

The party's leadership toward the revolution—a key question deciding the success or failure of the revolution—is raised as an increasingly important problem as the party of the working class takes power and leads socialist construction.

The theory on building a chuche-oriented party has, for the first time, given comprehensive answers, such as the nature, principle, and method of the party's leadership toward the revolution and construction.

Our party has defined the party's leadership toward the revolution and construction as political guidance; has thoroughly checked the trend of the party's guidance being administrative; has set forth combining the party's unitary leadership with the revolutionary mass lines as a basic principle of the party's leadership; and has thoroughly embodied this principle, thus correctly linking guidance to the masses and constantly enhancing the leadership role of the party.

Our party has defined a party committee as the supreme guiding organ at a unit and has guaranteed a collective guidance in its activities, thereby correctly combining a unified political leadership with the democratic creativity of the masses in all fields of social life.

By closely combining the party's work with administrative and economic work, our party has made it possible to vigorously accelerate socialist construction while enhancing the main forces of the revolution.

Our country's realities in which the main forces of the revolution have been strengthened in an extraordinary manner and socialist construction has been successfully carried out confirm that as shown by the theory on building a chuche-oriented party, the way of firmly guaranteeing the party's political leadership toward the revolution and construction is the only right way for the party to successfully discharge its revolutionary tasks.

The theory on building a chuche-oriented party is a mighty weapon that makes it possible to firmly establish a revolutionary work method and a people-minded work style in conformity with the intrinsic demands of the party of the working class.

The question concerning a work method and style is among the fundamental questions which decide success or failure in the work of enhancing the main forces of the revolution and organizing and mobilizing the masses into a revolutionary struggle. Unless this question is correctly settled, the masses cannot be correctly organized and mobilized to implement the party's policy and the party is alienated from the masses.

In the entire course of building the party, our party has adhered to the chuche-oriented party building theory and has steadily struggled to correct the party's work method and style, thus fully establishing a revolutionary working method and a people-minded work style in the entire party on the basis of the revolutionary mass lines.

The work method of our party is that of the anti-Japanese guerrillas which the great leader Comrade Kim Il-song early on created in the flames of the anti-Japanese revolutionary struggle. The Chongsan-ri spirit and method are the deepening and development of the anti-Japanese guerrilla work method.

The Chongsan-ri spirit and method are the most revolutionary work methods which strengthen the single-hearted unity of the leader, the party, and the masses by closely combining guidance with the masses and gives full play to the creativity of the masses.

Our party has actively conducted the struggle against bureaucratism among functionaries to establish a revolutionary work method and a people-minded work style. As generations have changed in the ranks of cadres and the percentage of functionaries, who are less disciplined revolutionarily, has increased, our party has paid greater attention to eliminating a worn-out work method and style.

Our party has put forward the slogan "Working for the people," and has led all functionaries to faithfully serve the people and to strengthen bonds of blood with the general masses. As a result, the revolutionary work method and people-minded work style of thoroughly defending the interests of the general masses, of working among them in reliance upon them, of sharing weals and woes with them, and of leading them with personal examples have been firmly established among our functionaries.

The theory on building a chuche-oriented party also gives a perfect answer to the question of firmly guaranteeing inheritance in building the party.

Guaranteeing inheritance in building the party is an inevitable demand of the communist movement and the development of the working class' party. Under the condition in which the revolutionary cause of the working class proceeds generation after generation for a long period of time and generations constantly change in the course of developing the communist movement, the cause of building the party of the working class should also be inherited generation after generation.

The long history of the communist movement shows the bitter lesson that unless the party of the working class is developed generation after generation, the revolution suffers pain and frustration and is interrupted halfway.

The question concerning the inheritance of the party's cause is the matter of nominating a successor who inherits the status and role of the party's political leader and of establishing his leadership system.

Proceeding from the just demand of the developing revolution in our era and the historical lesson of the international communist movement, our party raised the question of inheriting the party's leadership as the most important matter in completing the revolutionary cause of the working class generation after generation and has settled it theoretically and practically. As a result, a firm guarantee for consummating the chuche revolutionary cause generation after generation has been secured in our country. This is the greatest victory which our party has attained in the course of embodying the theory on building a chuche-oriented party.

Indeed, the theory on building a chuche-oriented party is the most instructive guideline, which illuminates a road for constructing the party of the working class in our time, and a perfect theory.

3. The justness and invincible vitality of the theory on building a chuche-oriented party has been unreservedly confirmed through the glorious history of the construction of our party and the shining victory of our revolution which has been attained under the leadership of our party.

Comrade Kim Chong-il, member of the Political Bureau Presidium and secretary of the party Central Committee, has noted: The justness of the theory on building a chuche-oriented party has been fully confirmed through the historical experience in building our party and the shining success and victory attained under the leadership of the party.

A great idea and theory create great realities. All victories and success which have been achieved in strengthening and developing our party and in socialist construction are noble outcomes which have been produced by the great chuche idea and the invincible vitality of the just theory on building a chuche-oriented party.

By firmly embodying the principle of building a chuche-oriented party, our party has been strengthened and developed into an iron party with a single-hearted unity on the basis of the unitary ideological system and with a strong organizational and disciplinary spirit, into an invincible party which has taken deep root among the general masses and has constituted a single body, and into a promising party which brilliantly inherits and consummates the leader's cause generation after generation.

Realities clearly confirm that the theory on building a chuche-oriented party which our party adopts as its leading guideline is the greatest ideological theory that nothing can match.

By adhering to and thoroughly embodying the theory on building a chuche-oriented party, our party, above all, has consolidated and expanded the social and political basis of the party and has enhanced its status and role in an extraordinary way.

As a rule, the social and political basis of the working class' party in a socialist society is inevitably consolidated and expanded and its status and role are strengthened as the revolution advances. This does not mean that the status and role of the party are strengthened of themselves.

Unless the ideological indoctrination work of arming the people with a revolutionary ideological consciousness is steadily carried out, the tenor of thinking of living alone in comfort can appear even in a socialist society and a worn-out idea on this basis can grow prevalent.

New generations are most likely to be contaminated by a worn-out idea. This shows that the struggle to reinforce the party should be more dynamically waged in a socialist society.

Adhering to the theory on building a chuche-oriented party, our party has always heightened a revolutionary alertness against the maneuvers of imperialists to split and weaken the party under the pretext of democracy, has prevented even a slight element of these maneuvers from penetrating inside, and has constantly strengthened ideological indoctrination work among the new growing generations.

Consequently, our party has realized, at the highest levels, the work of strengthening the party organizationally and ideologically and has been strengthened and developed into an invincible party which is in conformity with the chuche idea and which firmly rallies a wide range of masses of all walks of life around itself.

Having built this party with the most social and political foundation which nothing can demolish is a matchlessly invaluable success in our revolution.

By cleaving to and brilliantly embodying the theory on building a chuche-oriented party, our party has developed into the most resolute and revolutionary party which firmly adheres to the working class-oriented principle under any circumstances.

The cause of the working class' party for realizing the independence of the popular working masses is carried out amid a fierce class struggle against all types of enemies who infringe upon independence.

With the revolution going forward, the class enemy more desperately maneuvers to destroy the revolution. Therefore, the party of the working class should firmly adhere to the revolutionary principle until the ultimate victory of the revolution has been attained.

The theory of building a chuche-oriented party has evolved from the basis of the chuche idea—an out-and-out revolutionary idea which demands that the revolution be continued until the independence of the general masses has been completely realized—and has been defended and consummated amid a fierce struggle against all types of heterogeneous ideological trends, including factionalism and flunkeyism.

For this reason, the theory on building a chuche-oriented party is a mighty weapon that makes it possible to firmly defend the party-minded and working class-oriented principle from the maneuvers of all types of enemies who strive to infringe upon independence or to destroy the revolution.

By invariably sticking to this weapon through the entire course of its development, our party has been able to be endlessly faithful to the revolutionary cause of the working class and has displayed its pride as an invincible party which no enemy can dare to approach.

Our party's firm and unshakable determination and will are to consummate the socialist cause by constantly enhancing the militant power and leadership role of the party however wild the imperialists and the class enemy may run and whatever maneuvers they may resort to.

As long as this great party, which has always countered the reactionary sophism and vicious antirevolutionary maneuvers of the imperialists and all types of opportunists with revolutionary offensives and has firmly defended its revolutionary principle without being shaken, stands at the van of our ranks, there is nothing fearful in the world and the ultimate victory of the chuche cause is firmly guaranteed.

Furthermore, our party has come to fully display its dignity as a great party which firmly established chuche in the revolution and construction and which has built a man-centered superior socialism in this land by adopting the theory on building a chuche-oriented party as its leading guideline and by embodying it.

The reason why the party of the working class struggles to build a powerful and mighty party with a correct theory on building the party lies in constructing a genuine socialist and communist society where the independent demands and interests of the general masses are fully realized.

This being the case, the justness and truthfulness of the theory of building the party and the invincibility of the party's might should find their expression in a practical struggle to build a genuine socialism and make its superiority shine.

The theory on building a chuche-oriented party has made immortal contributions to our party's cause of building the most superior socialism by firmly establishing chuche in the revolution and construction as the guiding force of a socialist society.

It is natural for the party of the working class to play a leading role in a socialist society in view of the intrinsic nature of a socialist society, where the popular working masses have become its masters, and in light of the class characteristics of the working class.

The theory on building a chuche-oriented party is a mighty weapon that makes it possible to thoroughly smash all types of antirevolutionary maneuvers to deprive the party of the working class of its leading status, weaken it as an organized corps, and reduce it to a nominal existence with no power.

This theory demands that the question of firmly guaranteeing the leadership of the party of the working class and of establishing chuche in the socialist and communist movement be adhered to as a vital question in all sectors, including a socialist state, administrative and economic organs, and workers' organizations, thoroughly in conformity with the intrinsic demands of a socialist society.

Because our party has struggled with this great theory as a leading guideline, it has brilliantly realized its political leadership toward the entire society, has been able to solve all problems of the revolution and construction in conformity with the demands of our country's concrete realities and the aspirations of our people, and has built the most superior socialist society.

The socialism of our own style, which has been built up under our party's leadership, is not only man-centered socialism which entirely conforms to the inherent demand of human beings who have independence, creative spirit, and conscious spirit, but also superior socialism in which the ideal, desired by human beings for thousands of years, have actually been brought into bloom in reality.

Because the chuche-oriented country—the country of the socialist model which the world's people has envied, the lofty dignified spirit of the Korean people has been alive under all circumstances, and everything has been developed according to our own style—has been built up under the chuche idea, our party has become the organizer of all our people's victories and a great guide for socialist construction of our era. Thus, our party's dignity is becoming higher with each passing day.

Because the theory on chuche-oriented party construction has been entirely embodied under the party's leadership, today's reality, in which militant [word indistinct] has been effected in constructing the party and in carrying out the revolutionary cause, has given our people endless happiness and great national dignity of upholding the great leader [suryong], leader [yongdoja].

The ideology and theory on party construction to construct an indestructible revolutionary party are not something that can be created by anyone, or by changing times or reality. Namely, they are created, developed, and completed only by the leader with the outstanding and remarkable wisdom of the working class.

Our people have constructed an ever-victorious militant party under the great theory on the chuche-oriented party construction. This is entirely because they have upheld the respected and beloved leader Comrade Kim Il-song as the head of the party.

The beloved and respected leader Comrade Kim Il-song carried out the first party organization 60 years ago, and secured the historical root of the party. Thus, he is the great pioneer of party construction cause of an independent era. In addition, he is the most skillful leader [yongdoja] who personally declared the foundation of the chuche-oriented party to the entire world and has led the founded party to the single road of the ever-victorious and invincible party over a long time until today.

We can have the great guiding idea and the completed theory on the chuche-oriented party construction, because we have followed the guidance of the glorious party center, while upholding the beloved and respected leader Comrade Kim Il-song for the first time since thousands of years of our nation's history. In addition, we have constructed the indestructible party and revolutionary regime. As a result, we can enjoy pride and valuable life in the most superior and vital socialist society.

For this reason, our people have never thought of their own fate, apart from that of the party, the leader, the country, the nation. And, they have regarded it as their best honor to devote everything to fighting for the party and the leader.

Today, our people have assigned the honorable duty of brilliantly discharging a vanguard mission to uphold and defend the socialist cause and to constantly strengthen and develop it, upholding the banner of the chuche idea. To successfully discharge this heavy and responsible duty, we should further strengthen the party in an organized and ideological manner, and should constantly increase the party's leading roles in all fields of the revolution and construction.

As long as there is the completed theory on the party construction of our times, which has been elucidated by the immortal chuche idea, and as long as there is an ever-victorious and invincible party, which struggles while regarding the completed theory as leading guidance, our revolution will be ever-victorious along the single road of chuche for good, and its bright future is firmly stored.

All party members and the working people should constantly struggle with high revolutionary spirit, brimming with the verve of confidence and optimism. Thereby, they should fully display the dignity of chuche Korea.

WPK Lauds Paektu Fire Prevention Effort

SK0612073190 Pyongyang Domestic Service in Korean 1200 GMT 2 Dec 90

[Text] A letter of thanks from the Central Committee of the Workers Party of Korea [WPK] was conveyed to workers and members of the shock brigade of the General Federation of Trade Unions [GFTU], who registered labor exploits in the construction of a fire prevention line [pulmagison kongsa] for old revolutionary battlefields and revolutionary historic spots in the Mt. Paektu area.

The letter from the party Central Committee extended warm thanks to GFTU shock brigade workers and members who successfully carried out the project for the fire prevention line to protect old revolutionary battlefields and historic sites in Mt. Paektu from being damaged by forest fires.

The letter of thanks from the party Central Committee noted that upholding the slogan, "We carry out if the party decides," the shock brigade members built the fire prevention line in a huge area of several hundred chongbo [1 chongbo is equivalent to 990 square meters] in a short period of time. They resolved material and technological problems and overcame unfavorable natural and weather conditions in high mountain areas by their own strength with the Paektu revolutionary spirit and the revolutionary spirit for self-reliance and arduous struggle. The letter said that functionaries and workers of the forestry office to which Yi Myong-su belongs guided the construction and provided facilities and materials in a responsible manner and thus actively contributed to expediting the construction.

The letter of thanks from the party Central Committee pointed out that trade union organizations and functionaries throughout the country including the GFTU Central Committee supported the struggle of the shock brigade members and workers with all their strength by directing the deep interest to this construction work.

The letter of thanks from the party Central Committee stressed that the achievements made in the construction of the fire prevention line to protect the old revolutionary battlefields and historic spots in the Mt. Paektu area clearly demonstrate the lofty revolutionary spirit of functionaries and members of our trade unions and workers who boundlessly treasure our party's revolutionary tradition and who devotedly are struggling to inherit and develop this tradition.

The letter of thanks from the party Central Committee highly appraised the labor exploits of the shock brigade members of trade unions and workers who have superbly carried out the difficult project to protect the old revolutionary battlefields and revolutionary historic spots in the Mt. Paektu area by waging the indomitable struggle with endless loyalty to the party and the leader.

The letter of thanks from the party Central Committee noted that it firmly believes that functionaries and members of the trade unions and workers will repay superbly the party's expectations and trust by effecting a new turning point in the work of trade unions and by successfully accomplishing the assigned revolutionary missions, cherishing the boundless national pride in building socialism of our own style by following the road indicated by the chuche idea under the leadership of the great leader and the great party.

A gathering to convey the letter of thanks from the WPK Central Committee was held today in the Central Workers Hall.

Present at the gathering were Comrade Kim Chung-nin, secretary of the WPK Central Committee; Won Tong-ku, chairman of the GFTU Central Committee; and other personages concerned together with members of the trade union shock brigade and workers.

At the gathering, Comrade Kim Chung-nin conveyed the letter of thanks from the WPK Central Committee to the members of trade union shock brigade and workers.

Following this, Yi Chung-hak, chairman of the Yanggang Provincial Trade Union Committee; Pak U-chang, deputy director of a department in South Hwanghae Provincial Trade Union Committee; and Yi Pyong-ki, worker in the heavy machine workshop, mechanization office in the complex for construction of Second Metallurgical Plant, made speeches.

A message of pledge to the WPK Central Committee was adopted at the gathering.

Chuche Institute Publishes Paekbong Library

SK0512121690 Pyongyang KCNA in English 1009 GMT 5 Dec 90

[Text] Pyongyang December 5 (KCNA)—The International Institute of the Chuche Idea brought out the "Paekbong Library" No. 67.

Under the title "Anti-Imperialist Struggle and International Solidarity" it carries works of the great leader President Kim Il- song including "Answers to Questions Raised by the Editor-in-Chief of the GHANAIAN TIMES, the organ of the Ghanaian Government", "Answers to Questions Raised by the Chief Editor of the Egyptian Paper AL MASSA", "Answers to Questions Raised by the General Manager of the National News Agency RSS of Nepal", "Answers to Questions Put by the Director General of the PRENSA LATINA News Agency of Cuba", "Answers to Questions Raised by the Editor-in-Chief of the Soviet Weekly Political Magazine NOVOYE VREMYA", "Answers to Questions Raised by The chief of the Bureau of the Italian Radio and

Television for Far East" and "Answers to Questions Raised by the Editor-in-Chief of the Yugoslav Newspaper OSLOBODJENJE".

Also carried in it are 25 explanatory notes and an article on the superiority of the socialist system in the Democratic People's Republic of Korea.

Development of 'Powerful' Merchant Fleet Noted

SK0512235790 Pyongyang KCNA in English 1504 GMT 5 Dec 90

[Text] Pyongyang December 5 (KCNA)—Foreign trade is being developed in the Democratic People's Republic of Korea.

A big portion of freight dealings are done by the merchant fleet of the DPRK.

There is a powerful merchant fleet consisting of Sunchon, Ryongsong, Kyongsong, Amnokging and other modern large-sized ships in the country.

The merchant fleet annually transports millions of tons of freight.

Korea founded its merchant fleet in 1972.

At that time the fleet comprising a few 3,000-ton ships carried freight only tens of thousands of tons to some countries.

The material and technical foundations of the merchant fleet have remarkably improved along with the rapid development of the shipbuilding industry.

10,000-20,000-ton ships have been built in succession at shipyards including Chongjin and Nampo and added to the fleet.

The number of ships belonging to the fleet has increased 20 times over the last 18 years.

Modern ship-repair bases have been built in Chongjin, Wonsan, Nampo and other places, with the result that the operation rate of vessels has risen 8-10 percent and the utility rate of large cargo ships reached 94 percent on an average in the same period.

Trading ports including Nampo, Hungnam, Haeju and Songrim ports have been reconstructed on an expansion basis and their harbour facilities remodelled.

The transit capacity of trading ports has increased 4 times in the last 10 years.

The state plans to scale up the merchant fleet 2.5 times in the 1990s by augmenting investment in the shipbuilding industry.

Coal Mining Production Ahead of 1989 Pace

SK0412160490 Pyongyang KCNA in English 1500 GMT 4 Dec 90

[Text] Pyongyang December 4 (KCNA)—Coal production is on the increase at coal mines in different parts of Korea.

According to the data available from the Ministry of Coal Industry, 1.1 million more tons of coal was turned out in the first 11 months this year than in the corresponding period last year.

In this period the Sunchon District coal mining complex has created 30 odd promising nitoing faces and raised the utility rate of mining equipment to produce some 350,000 more tons of coal.

In the same period the Anju District coal mining complex turned out over 100,000 more tons of coal while pressing ahead with the construction of the Hwapung and other coal mines to increase production capacity.

In this district a preparatory work has been successfully propelled to develop an open-cut coal mine which will produce 2.5 times as much coal as the present coal production at the complex.

Coal mines under the General Bureau of Northern District Coal Industry have arranged cutting faces under a far-reaching plan and improved their technical management to increase output per cutting face 20 per cent.

Production is also going up at the Kaechon, Tokchon, Kangso and Kangdong District coal mining complexes.

South Korea

Government Gives Approval to North Musicians

SK0612122690 Seoul YONHAP in English 1205 GMT 6 Dec 90

[Text] Seoul, Dec. 6 (OANA-YONHAP)—The South Korean Government on Thursday gave official permission to border-crossing by a group of North Korean Musicians who are to participate in a year-end traditional music festival slated to start on Sunday in Seoul.

The approval was meted out at the 11th meeting of the South-North Exchange and Promotion Council, which was presided over by Unification Minister Hong Song-chol.

The delegation, comprising 29 musicians of Pyongyang Folk Music Troupe and four accompanying journalists, will cross the border village of Panmunjom on Saturday to visit the South for six days. The North Korean musicians are to have two joint concerts with its southern counterpart. They will also attend four welcoming parties and visit the National Classical Music Institute and a musical instrument manufacturing company.

Their repertoires include such traditional Korean songs as "Pyongbuk Yongbyonga" and "Yangsando" and

"The way to unification," composed jointly by Song Tong-chun, head of the North Korean troupe, and Prof. Hwang Pyong-ki of Seoul's Ehwa Womans University.

Hwang, chief organizer of the festival, invited the North Koreans in return for the North's invitation of a southern traditional music troupe to the Pyongyang Unification Music Festival in mid October.

New Anti-Kim Il-song Group Formed in Japan

SK0612083890 Seoul CHUNGANG ILBO in Korean 5 Dec 90 p 1

[By correspondent Pang In-chol from Tokyo]

[Text] With Japan and North Korea accelerating their efforts to establish diplomatic relations, Koreans residing in Japan who identify themselves as nationals of "Choson" [North Korea] and do not want to be North Korean nationals now are moving toward forming a new political organization.

The "Union of Korean Nationals of Choson Residing in Japan and the ROK for Democracy and Reunification [Mintongnyon]," formed with the theme of "aspiring for liberal democracy against Kim Il-song," on 8 December reportedly will elect Yi Kwang (ne Song Chae-yong), 60, adopted son of Yo Yon-ku, deputy to North Korea's Supreme People Assembly, as its chairman, and Yim Song-kwaeng, 55, instructor at (Ritzmyokan) University, and Choe Chang-hwan, 65, both former high-ranking Chongnyon officials, as vice chairmen.

The organization also reportedly will form an executive committee composed of seven permanent members—former high-ranking officials of the Federation of Koreans Residing in Japan [Mindan] and Chongnyon—as part of earnest preparations for the organization's inauguration.

According to Yi Kwang, the Mintongnyon has already completed organizing local chapters across Japan, including Kanto, Kansai, and Chubu, with an eye to lining up behind itself about 1,000 members and to holding an inaugural meeting in April next year.

Commenting on the objective the Mintongnyon seeks behind its activity, Yi Kwang explained: "Talks between Japan and North Korea for the establishment of diplomatic relations have alarmed us into forming this organization. We will make sure that the governments both in the North and South know what kind of problems the Japan-residing Koreans will face in the future when Japan and North Korea have established diplomatic relations, such as choice of nationality, their right to property, and permanent residence and will do our best in defending the Japan-residing Koreans' right."

Yi continued: "We plan to expand our organization Mintongnyon as a 'third political organization' equivalent to either the Mindan or Chongnyon. Although about 300,000 Japan-resident Koreans, nearly half of the entire Koreans residing in Japan, are identified as nationals of Choson in their alien resident cards, only about 100,000 support the Chongnyon and we are going to have about 200,000 undecided Koreans. This being the case, we will place primary stress on defending these people's rights."

In addition to this new political organization, there are at least 4 or 5 more organizations formed by Chongnyon-affiliated Koreans residing in Japan, including the 350-member "United Front of the Japan-Residing Koreans for Democracy and for Overthrowing the Kim Il-song Dictatorship," which was inaugurated last 27 May and headed by Ha Su-to, a secret assembly called "Korean Association in Japan" headed by Kim Yong-taek, and "Group of Japan-Residing Koreans."

USSR Reportedly Continues Aid to N. Korea

SK0612052690 Seoul SEOUL SINMUN in Korean 6 Dec 90 p 1

[Report by correspondent Yom Su-ung from Tokyo]

[Text] It was revealed on 5 December that relations between the Soviet Union and North Korea have not cooled as has been reported recently by some news media and that the Soviet Union is continuing military assistance to North Korea and maintaining its relations at a considerable level.

According to some reliable security experts in Japan, the Soviet Union this year offered an enormous amount of military assistance to North Korea, including six ultramodern MIG-29 and ten SU-25 fighter planes similar to the kind of A-10s which the ROK possesses.

The security experts pointed out that "the press report in some Far Eastern countries, including Japan and the ROK, that relations between the Soviet Union and North Korea have been rapidly cooled is wrong, and is caused by lack of intelligence and incorrect assessments of the situation." These experts also observed that the Soviet Union is giving aid to North Korea not only through support for aircraft and ground forces but also for expansion of nuclear facilities.

Economic Talks Planned With USSR for January

SK0612103590 Seoul CHOSON ILBO in Korean 6 Dec 90 p 1

[Text] The government is planning to finally settle the issue of offering funds to the Soviet Union for economic cooperation at the second round of ROK-USSR economic talks which appear to be planned for next January in Seoul instead of raising this issue during President No Tae-u's visit to the Soviet Union.

On 5 December, a high-ranking government official said that "although we invited a Soviet delegation to visit Seoul from 1 to 7 December in an effort to settle this issue before the president's visit to the Soviet Union, the delegation has not come due to the Soviet side's situation. Thus, settlement of the issue before the president's visit to Moscow is impossible." He added that "the government will not respond to the Soviet side even if it demands settlement of this issue, because if it is settled during the summit talks it would open the possibility for criticism that summit talks were bartered for economic cooperation funds."

According to this policy, the government is planning to make the final settlement of the issue concerning the scope of funds for economic cooperation and method and means of support during the second round of the ROK-USSR economic talks next January. However, it was learned that there are remarkable differences in views between our side and the Soviet side over the scope of funds and method of support.

Having worked out three-point temporary plans, including the plan for economic cooperation funds amounting to $3 billion, the government is going to call for conditional loans by linking them to export and investment. However, the Soviet side is reportedly demanding our support by means of cash loans to a great extent.

Seoul Plans $3 Billion in Aid to Moscow

SK0512044190 Seoul THE KOREA TIMES in English 5 Dec 90 p 1

[Text] The government plans to provide $3 billion in economic aid to the Soviet Union over the next three years in a major program of economic cooperation between Seoul and Moscow which have recently established diplomatic relations, reliable sources said yesterday.

The envisioned aid program includes a cash loan of $500 million and a $1 billion fund for plant exports and $1.5 billion for exports of consumer goods, the sources said. Granting the $500 million loan in cash, the Korean government will not attach any strings but will seek to have the Soviet Union buy Korean commodities when possible, they revealed.

The final size of the loan will be fixed during the upcoming visit of President No Tae-u to the Soviet Union, they said.

Using No's Dec. 13-16 visit as momentum, the government is determined to strengthen present economic exchanges with the Soviet Union to a full fledged cooperative level. During the trip, government officials will discuss with their Soviet counterparts details of some 30 consumer projects from a list of 40 proposed by Moscow at the first economic cooperation talks in Moscow in August.

The negotiations will cover joint projects such as development of Svetlaya Forest, production of consumer goods in exchange for the supply of Soviet raw materials, fishing in Soviet waters as well as technology transfers, aviation affairs and investment, the said.

Leaders of top business groups such as Hyundai, Samsung, Lucky-Goldstar and Daewoo will most likely be included in No's unofficial entourage. The groups have been pursuing economic projects in the Soviet Union on their own.

Kim Chong-in, senior presidential secretary for economic affairs, led a 20-member delegation to Moscow in August and returned with a list of 22 industrial projects involving 40 consumer products in which the Soviet Union hopes Korean investment.

Government officials said they are set to propose a detailed cooperation plan on some 30 products, including refrigerators, washing machines, vacuum cleaners, television sets, tape recorders and sewing machines.

The government is also considering accepting raw materials as payment if the Soviet Union is unable to settle its trade accounts in each or rely on CAD (cash against documents) or other export insurance methods.

Government officials hope that progress on some of the joint ventures sought by Korean firms will be accelerated. The projected joint ventures range from the development of coal and zinc mines to construction of transcontinental pipelines, car factories and petrochemical plants. In fisheries, Korea will seek permission to fish directly in Soviet fishing grounds under set quotas, they said.

Other major topics include finalizing agreements the two countries have already initialed on trade, technology cooperation, prevention of double taxation, investment protection and fisheries cooperation.

Soviet Ambassador to Seoul To Arrive 7 Dec

SK0612033490 Seoul SEOUL SINMUN in Korean 6 Dec 90 p 2

[Text] On 5 December, the Foreign Ministry revealed that the first Soviet ambassador to the ROK, Oleg Sokolov, will arrive in Seoul on the afternoon of 7 December. It was learned that Ambassador Sokolov, after arriving in Seoul, will soon return to the Soviet Union for a temporary stay during preparations for the ROK-USSR summit talks in Moscow. It also was reported that Loengrin Yeremenko, the first Soviet consul-general in Seoul, will carry out the work of charge d'affaires.

Trade Corporation To Set Up Moscow Branch

SK0612025290 Seoul THE KOREA HERALD in English 6 Dec 90 p 3

[Text] In anticipation of the drastic rise in travelers between Korea and the Soviet Union in coming years, the state-run Korea National Tourism Corp. [KNTC] plans to open a Moscow branch in early 1991.

The planned Moscow branch is expected to start operation at the latest by March, the corporation's chief public relations officer Chang Se-hwa said yesterday. The opening of the branch, Chang said, is to prepare for the expected steep rise in the number of travelers between the two nations following the normalization of diplomatic relations in November.

The number of Korean travelers to the Soviet Union is expected to sharply increase when the government soon lifts travel restrictions to the country. The Moscow branch will not only promote Korea travel to the Soviets but also to westerners visiting the Soviet Union, Chang said. He said that the number of Soviet travelers to Korea will probably remain low for the time being because of the Soviet Union's hard currency situation. But the prospect is bright, he said, for providing suggestions and encouragement for westerners to extend their trip beyond the Soviet Union to Korea.

He expected that a new major international travel course linking Europe to the Soviet Union, to Korea, and back up through China could form.

The Moscow branch will become the KNTC's second branch in East-bloc countries. The corporation set up a branch in Budapest in October.

The national tourism promotion corporation is seeking to obtain approval by pertinent Korean government agencies, including the Economic Planning Board.

He expressed concern at the shortage of office space available in Moscow which he said may block the corporation's plan to open the Moscow branch as early as possible. Chang said that the KNTC will seek assistance from the Soviet side in opening its Moscow branch through the Korean consular office in Moscow.

As a preparation for opening the Moscow branch 14 KNTC officials have undergone Russian language training since August. Some of the officials, Chang said, will serve as guides for Soviets tourists visiting Korea.

Meanwhile, a mission from the Soviet travel company Intourist is visiting Seoul in efforts to attract Korean tourists to the Soviet Union. The mission led by executive vice president Vladimir Malinin met with high-ranking officials of the KNTC and Korean Air. A spokesman for the mission said that they are here to get acquainted with the management of KNTC and the Korea Tourism Association and plan their campaign to attract Korean travelers. Intourist is a semigovernmental tourism company with the government holding 50 percent of its stock, he said.

Soviet Tourist Official Promotes Tourism

SK0512093990 Seoul YONHAP in English 0907 GMT 5 Dec 90

[Text] Seoul, Dec. 5 (OANA-YONHAP)—A top Intourist official, in South Korea to drum up interest in tourism in the Soviet Union, on Wednesday played down his nation's lack of tourist facilities and played up its rich historical and cultural assets.

V. Malinin, executive vice president of the State Tourist Organization, said, "Inconveniences related to accommodation, food and communications will soon be removed as numerous facilities are under construction at such tourist haunts as Moscow and Leningrad. We hope for joint ventures with Korean and Western businesses for the construction of tourism-related facilities."

He said two luxury hotels would open soon in Moscow and 15 other hotels in Moscow and Leningrad next year.

Malinin, who is also Intourist general director, is in Korea to give a seminar on touring the Soviet Union. He is accompanied by V. Braginskiy, deputy director of Marketing, and V. Yermakov, manager for Japan and Southeast Asia.

Noting that the state-run Korea National Tourism Corp. (KNTC) will open a Moscow branch in February or March, he said, "It is difficult for us to do the same thing in Seoul under the current conditions, and so we hope KNTC will act as a guide for Korean tourists."

If KNTC represents Intourist, Intourist will assist KNTC in establishing a branch office and doing business in Moscow on a reciprocal basis, he said.

Entrepreneurs Eye Deals During No's USSR Trip

SK0612025890 Seoul YONHAP in English 0159 GMT 6 Dec 90

[Text] Seoul, Dec. 6 (YONHAP)—Major South Korean enterprises hope to clinch deals with the Soviet Union on resources development, joint construction projects and supplying consumer goods during President No Tae-u's visit to Moscow for summit talks next week, business sources said Thursday.

No will be accompanied by such powerful representatives of business groups as Hyundai Group founder Chong Chu-yong, Samsung Group Chairman Yi Kun-hui, Ku Pyong-hwe, President of Lucky-Goldstar International Corp., and Yi Suk-hi, vice chairman of Daewoo Corp. Also on the presidential plane will be Hanjin Group Chairman Cho Chung-hun and Jindo President Kim yong-won.

No, the first South Korean president to visit the Soviet Union, will meet with Soviet President Mikhail Gorbachev while in Moscow Dec. 13-16.

Chong will be joined by Yi Myong-pak, president of Hyundai Resource Development Corp., in his discussions on efforts to develop the Elginskoye (spelling as received] coal mine and gas deposits in Yakutsk Autonomous Soviet Socialist Republic and Sakhalin.

Samsung wants to wrap up talks on supplying color televisions and other electronic appliances and plant, and conclude an agreement to import Soviet technology in the fields of ultra-modern materials, chemistry and aviation.

Lucky-Goldstar is to advance negotiations on exporting washing machines and other home appliances, syringes and other medical items, and related plant as well as joint ventures. The group will also seek progress in talks on the construction of a business center on Garibaldi Prospekt in Moscow.

Daewoo will wind up discussions on a hotel to be built in Moscow and a joint venture, tentatively named Ioffe-Daewoo Technology, to be set up in Leningrad early next year. The company will be co-founded by Daewoo and Ioffe Physico-Technical Institute in Leningrad.

Daewoo will also seek contracts with the Soviets on exporting 1 billion U.S. dollars worth of textile, electric and electronic goods and plant. Sunkyong and Ssangyong are expected to sign export contracts for consumer goods. The groups opened branch offices in Moscow this year.

Fishery Agreement With USSR Runs Into Trouble

SK2611085390 Seoul THE ECONOMIC JOURNAL in English 26 Nov 90 p 28

[Text] Korean deep-sea fisheries' advance into the Soviet Union, which was once booming on expectations that the bilateral fishery agreement between Korea and the Soviet Union would follow the normalization of relations between the two countries, is sagging due to the unclear prospects of the agreement.

The Korean side has actively promoted direct fishing on Okhotsk waters, a high-catch fishing ground, and the establishment of joint-venture fishery products processing plants.

The Office of Fisheries and the Korea Deep-Sea Fisheries Association said that most of the various cooperative projects with the Soviets have been postponed, except for Daerim Fishery's project to set up a $3.5 million sausage factory in Nakhodka in cooperation with the Soviet Fishery Corporation.

Korea Wonyang Fisheries, which made inroads into the Soviet Union first for Korean deep-sea fisheries, suspended its plan to establish a joint venture in Vladivostok with Soviet fishery companies affiliated with the Far-east Fishery Corp.

Dongwon Industries has withdrawn its plan to build a $4 million crabmeat plant jointly with the Maritime Province Fishery Production Corp.

In addition, the purchasing of Soviet fishery products on board has almost stopped because the Soviet are charging unreasonable prices. They reportedly asked above $500 per ton for Alaskan pollack full of roe, a sharp increase from $392 to $418 last year.

China Says Planned Trade Mission Nongovernmental

SK2911043490 Seoul CHUNGANG ILBO in Korean 26 Nov 90 p 1

[YONHAP from Hong Kong]

[Text] Even while the ROK attaches great importance to the setting up of a trade mission in Beijing (what is internally referred to as the ROK mission in Beijing), China has been stressing that the Chinese International Trading Company (Chinese Committee for Promotion of International Trade), in fact the Chinese trade mission to be set up in Seoul, is merely a "nongovernmental organization," according to MING PAO, a Hong Kong paper, on 26 November.

In a recent interview with MING PAO, Zheng Hongye, president of the Chinese International Trading Company, stressed that "at this stage, the trade missions that China and Korea have agreed to set up in the capital cities of the two countries are merely nongovernmental organizations," saying that "whether the Chinese trade mission in Seoul will be able to discharge consular function, such as issuance of visas or not, will be determined in the future, depending on the situation."

President Zheng also added that China would send officials concerned to Seoul to prepare for the opening of the trade mission.

Economic Cooperation With SRV To Be Explored

SK0612092090 Seoul YONHAP in English 0850 GMT 6 Dec 90

[Text] Seoul, Dec. 6 (YONHAP)—A 17-member South Korean team will fly to Vietnam on Monday to look into the possibility for mutual cooperation in the resources sector, the International Private Economic Council of Korea (IPECK) said Thursday.

Headed by Kim Yong-min, vice president of Daesung Ind. Co., the team will spend a week surveying Vietnam's natural resources, such as oil and coal, and the prospects in non-ferrous metals, tourism and other areas. Daesung chairs the IPECK Resources Development Committee. Korea and Vietnam are in frequent contact, exchanging economic delegations, but this team will be the largest ever, an IPECK spokesman said. Vietnam has a single oil field at present but the possibility of finding more is high, he said. IPECK, founded in October 1988, functions as a bridge between Korean businesses and socialist countries.

Agricultural Policy Shift for Uruguay Round

SK0612072990 Seoul YONHAP in English 0616 GMT 6 Dec 90

[Text] Seoul, Dec. 6 (YONHAP)—South Korea plans to draw up a five-year plan to reorganize its agriculture, forestry and fisheries industry by June to accommodate the results of the Uruguay Round.

The 25 government officials and professors preparing the Seventh Five-Year Socio-Economic Development Plan (1992-1996) on Wednesday said the industry must become competitive in the new international economic order, improve quality and modernize its production network.

Kim Han-kon, planning and administration director of the Agriculture, Forestry and Fisheries Ministry, chaired the meeting.

The five-year plan must include item-by-item adjustment to the Uruguay Round, distribution network improvement, stablization of supply and demand, advances in rural welfare and development of water resources, they said. The government will hold two or three public hearings before making a draft by March and concluding the plan by June.

Shipping Industry 'Sources' Fear U.S. Pressure

SK0612035090 Seoul YONHAP in English 0243 GMT 6 Dec 90

[Text] Seoul, Dec. 6 (YONHAP)—The South Korean shipping industry fears pressure for opening the transportation market will increase because of a U.S. Federal Maritime Commission (FMC) investigation into alleged discrimination against American shipping companies in Korea, industry sources said Thursday.

"FMC is known to have decided in a closed-door meeting early in November to investigate whether American shipping firms are unfairly treated by the pertinent Korean authorities when they use trucks, railways and terminals in Korea," they said.

In July, the Commission imposed several million U.S. dollars in penalties on Hyundai Merchant Marine Co. and Hanjin Shipping Co. after ruling that they committed unfair shipping practices.

"FMC's decision is likely to be closely linked with U.S. demands on opening the Korean transportation market discussed in the Uruguay Round negotiations," they said. "It is imperative the Korean Government work out countermeasures to cope with them."

Under the U.S. Maritime Transportation Law, legislated in 1984, the FMC has the authority to close American ports to foreign shipping companies and fine them if they are shown to commit unfair trade practices.

Joint Oil Project With Saudi Arabia Canceled

SK0412030790 Seoul YONHAP in English 0204 GMT 4 Dec 90

[Text] Seoul, Dec. 4 (YONHAP)—South Korean Energy and Resources Minister Yi Hui-il indicated Monday that the government will not allow Ssangyong Oil Refining Co. and ARAMCO of Saudi Arabia to form a joint-venture oil refinery in Korea.

"The government has banned new participation of domestic and foreign firms in the oil industry, an important infrastructure sector, to help the existing oil refineries improve their refining capabilities and encourage fair competition among them," Yi told the National Assembly Energy and Resources Committee.

"The government will continue to adhere to the ban and will apply it to any request by domestic or foreign enterprises to take part in the oil industry," he said.

Ssangyong had announced that it would sign a joint-venture contract with state-run ARAMCO on Dec. 5 to establish an oil refinery with 700 million U.S. dollars in capital.

Major Steel Plant With Foreign Investment Opens

SK0412093190 Seoul YONHAP in English 0844 GMT 4 Dec 90

[Text] Seoul, Dec. 4 (YONHAP)—Pohang Iron and Steel Co. (POSCO) officially completed the third-stage construction of its second steel works near Kwangyang Bay on Tuesday, giving the state-run firm the third largest production capacity in the non-communist world.

Ruling party Chairman Pak Tae-chun, who heads POSCO, cut the tape in the on-site ceremony that brought the new plant into full operation, raising POSCO's annual crude steel output capacity to 17.5 million tons—8.1 million tons from Kwangyang and 9.4 million tons from its mill at Pohang.

Annual demand in Korea is an estimated 28.5 million tons and output is expected to total 25.7 million tons following the expansion. Korea has become the world's sixth largest steel producing nation and the only steelmakers bigger than POSCO are Japan's Nippon Steel Co. and France's Usinor-Sacilor, POSCO officials said.

Construction began on Nov. 1, 1988, and cost 2.7 billion U.S. dollars, including 167 million dollars of foreign capital.

Samsung Heavy Industries Co. and 21 other Korean firms as well as Davy McKee of Britain, Voest Alpine of Austria, Germany's Mannesman Demag and 11 other foreign firms supplied facilities and 14 companies participated in construction.

The works has 10 sheds, for iron-making, steel-making, continuous casting, hot rolling and others, as well as its own water and electricity supply.

In the iron-making process, high-speed cooling devices lengthen the life of the blast furnaces and extract 7,900 tons of molten iron a day. The continuous casting rate is 100 percent.

Opinion Poll on Current Issues Reported

SK0612051690 Seoul YONHAP in English 0429 GMT 6 Dec 90

[Text] Seoul, Dec. 6 (OANA-YONHAP)—The most despised people in South Korea are politicians, the most liked are farmers and nearly half the population believes the opposition will take power within 10 years, according to a recent poll.

A majority gave a low rating to the government's efforts for democratization, with 53 percent saying there haven't been any significant changes or democracy has actually retreated.

The survey was conducted by Seoul National University's Social Science Research Institute, which questioned 1,530 people across the country, except Cheju Island, between Aug. 30 and Sept. 5 on behalf of the president-commissioned 21st Century Committee to collect public opinions on the coming century.

An overwhelming 70 percent said they dislike politicians the most, with industrialists a far second at 10.9 percent and government workers third at 9.3 percent. But Koreans like farmers (43.5 percent), laborers (30 percent) and students (25 percent).

While 47 percent believe the country has democratized greatly or somewhat under the current government, 37 percent said there were little changes and 16 percent said democratization actually retreated. They said political corruption is the main stumbling block to democratization (41 percent) and lack of motivation for decratization on the part of the government (29 percent).

The next 10 years will see a shift of power from the ruling camp to the opposition, according to 49 percent of the pollees, while 23 percent predicted the same party will stay in power, 13 percent envisioned a people's revolution and 2.1 percent said a military coup is possible.

On national reunification, 52.9 percent said it is possible within 10 to 20 years. The unified government will be democratic in the view of 27 percent and socialist according to 11.2 percent. The rest did not give an answer.

What is blocking reunification? The North Korean leadership (50 percent), the United States and other foreign powers (19.1 percent) and the South Korean leadership (13.5 percent).

An overwhelming 80 percent flatly opposed liberalization of the agricultural market or counseled prudence to protect the agricultural sector, but 15 percent said it was inevitable in order to secure a wider export market.

Respondents favored local autonomy, with 35.7 percent saying it should be carried out immediately and 47.2 percent opting for within two to three years. Main reasons for autonomy were equal distribution of authority (42.4 percent) and easing regional differences (32.4 percent).

Forty-eight percent of those polled called for capital punishment for hardened criminals, such as human traffickers, while 29.8 percent urged a nationwide attempt to restore "values." Only 19 percent said police action was the answer.

DLP Leader Renews Talk of Constitutional Change

SK2911044590 Seoul YONHAP in English 0207 GMT 29 Nov 90

[Text] Seoul, Nov. 29 (YONHAP)—The floor leader of the ruling Democratic Liberal Party (DLP) revived the controversy over South Korea's system of government on Wednesday, saying a parliamentary cabinet system was the best way to guarantee participation of all political forces in state affairs and decentralization of power.

"Constitutional amendment to a parliamentary cabinet system can be examined in a new dimension if the Party for Peace and Democracy, the main opposition party, fails to hold on to its current number of parliamentary seats in the 14th general elections and the current political structure is repeated in the local elections likely in the first half of next year," Kim Yun-hwan told a group of Yonsei University students who visited the National Assembly.

He emphasized that a cabinet system was the best way to groom new leaders, create a new political structure free from military vestiges from decades of military-initiated administration and transfer the government to non-Kyongsang province figures.

He told them he would not propose a constitutional amendment, as promised by President No Tae-u and DLP Executive Chairman Kim Yong-sam, unless the opposition supported it.

"The DLP presidential candidate, whether he is a new face or not, will come to the fore in open competition within a year," he said.

Five Death-Row Inmates Hanged 4 Dec

SK0412031090 Seoul YONHAP in English 0244 GMT 4 Dec 90

[Text] Seoul, Dec. 4 (OANA-YONHAP)—Five death-row inmates were hanged on Tuesday morning in a message from the South Korean Government that it is willing to go all the way in its war on crime.

The executions, the third since No Tae-u assumed the presidency in February 1988, were carried out at prisons in Seoul, Pusan and Kwangju and involved murderers and murder-rapists.

Among them was Son Chae-ho, who with seven friends attacked a couple in the woods on the night of Nov. 17, 1987. They beat the man to death with a baseball bat and took turns raping the girl. The other executions were in August 1989 and April this year and involved seven and nine hardened criminals, respectively.

"Their execution means, let justice be done once and for all," a spokesman for the Justice Ministry said. Sixteen people remain on death row, two of them women, but they may not be their long.

* Industrial-Academic Complex Strengthened

912C0016 Seoul CHUGAN MAEKYONG in Korean 27 Sep 90 pp 32-38

[Article by reporter Yi Ki-tong: "Conglomerates' Leaders Bent on Assisting Ivory Towers—Support Activities Multifarious"]

[Text] Business groups' aid programs for universities have lately been attracting much attention.

The attitude of Korean businesses toward universities has become unprecedentedly cooperative, with their warm helping hands reaching deep into the ivory towers, the "cradle of talent."

Above all, the pattern of assistance itself has vastly changed. Emphasis is no longer on simple, conventional-type scholarships. Taking a step further from the traditional levels of scholarships for individual students, they now extend major financial assistance to school operations, providing subsidies or building science and technology research institutes and various other facilities on campuses. Such large-scale support activities have become increasingly conspicuous.

Especially, conglomerates with financial resources often offer a huge amount of money or part of the group-owned real estate for universities' use with no strings attached, arousing extraordinary public interest. Typical are the cases of the Korea Explosives Company, Sunkyong and Tonga groups.

Korea Explosives announced a contribution of as much as 25 billion won to Seoul National University [SNU] over the next 4-5 years. To date, the group's assistance has been limited, rendered mainly in the natural science area, and providing, among other things, research funds and scholarships in the petrochemical and mechanical engineering areas, and research funds for the Sinjang Center of Sunchonhyang Hospital. The announced contribution is the largest ever made by the group.

The contribution is officially for the SNU Library to purchase books. Therefore, proceeds earned from the grant of 25 billion won will be used to buy scientific books and journals published in Korea and other countries. According to basic plans on the part of Korea Explosives, pending consultations with SNU officials to be concluded sometime in September, a specific timetable of payment will be set up and the funding will begin this year on an annual installment basis. In this connection, a source of the group said that "the amount to be raised this year is 5 billion won and we expect our affiliated firms to pitch in." The money thus raised will be turned over to SNU authorities toward the end of the year, he added.

Korea Explosives Grants SNU 25 Billion Won

There are reasons why Korea Explosives came up with the epoch-making group-level assistance plan for SNU. The proposal came from SNU first—in the spring this year. SNU had formulated a long-range university development program in 1987 marking the 40th anniversary of its founding. "We need 50 billion won to finance a development project of our library" as part of the program, said SNU authorities in an official letter to Korea Explosives asking for its cooperation. Thus, the letter requesting Korea Explosives' cooperation even stated in black and white the purpose for which the money will be used.

Although Korea Explosives basically approved the request, its officials had yet to determine how much the group should donate, and in what form. On the table were a variety of plans, some proposing assistance for fundamental studies, others recommending aid to specified areas such as petrochemistry or for the building of welfare facilities such as dormitories, or suggesting scholarships and various research funds. After weighing them from various angles, they decided to contribute to the library fund for the purchase of books to lay a common foundation for all research. Thus came the decision to donate 25 billion won, which is half of the total fund required for the SNU library development project.

Strictly speaking, the fund coming from Korea Explosives is part of the library development fund being raised by the SNU Library within a larger framework called the SNU Development Master Plan. A close look at the motive of Korea Explosives in granting the fund may indicate that it was "half voluntary and half involuntary."

The Korea Explosives decision required the final determination by the leader of the group, Chairman Kim Sung-yon. Upon receipt of the SNU letter, Kim called in the affiliated firms' presidents for a meeting. Presiding, he said: "Samsung, Hyundai, Lucky-Goldstar, and Daewoo are emulating in social services through their social welfare foundations. By comparison, it is felt that Korea Explosives has been paying less attention to welfare activities for the public." Based on a reflection like this, an aide said, Chairman Kim made clear his intention to grant the SNU request.

The chairman apparently considered the strategic aspect, too, of the action he was going to take to make up at one stroke for the group's shortcomings in the social and cultural service area. Those were the shortcomings he had personally felt. The announced contribution by Korea Explosives is the largest of all the contributions ever made by enterprises to universities and this fact alone suggests that he considered the strategic aspect of the grant, too. At the same time, Chairman Kim, in a remark combining in effect the sense of obligation and that of material gain, said: "Using the fund as the basis, basic literature and latest materials of not only natural science but cultural sciences as well should be expanded gradually to the levels of the advanced countries. Also, they should be made available to the faculty and students of every university in the country, not just those of SNU, and it is hoped that they forever contribute to developments in every academic field.

The Korea Explosives Group has also been providing qualified university and graduate school students with scholarships under a catch phrase "Secure High-Level Manpower Through Industry-University Tie-Up." Eligible for the scholarships are chemical and mechanical engineering majors in various courses, ranging from the bachelor's to the doctor's. Applied only to SNU, Yonsei University and Korea University, the program selects 20 to 30 persons every year and pays their school registration fees in full and subsidizes their research expenses. Last year the program benefited 28 students altogether—19 chemical engineering majors (doctor's course three, master's course six, bachelor's course 10) and nine mechanical engineering majors (doctor's course one, master's course one, bachelor's course seven).

Sunkyong, Tonga Donate Real Estate

The Sunkyong Group, unlike Korea Explosives, donated not cash but a whole lot of real estate to the surprise of business circles. On 28 August, Sohae Development, a Sunkyong affiliate, donated 3.04 million pyong of afforestation land it owned to the University of South Chungchong [USC] without attaching any strings.

The land donated by Sunkyong is the largest of a list of real estate the group had promised to dispose of following the government's 10 May Real Estate Regulatory Measure, which provides for voluntary sales by businesses of real estate they own. In terms of acreage, it represents almost the entire list. The land had been the talk of the town since the group asked the Office of Forestry to buy it but the latter turned down the offer. Then, the group had negotiations with several eager prospective buyers and, according to Sunkyong, USC was one of them.

USC, faced with the need to acquire land for use by the agriculture school for the required expansion of its experimental plantation, had an eye on the afforestation land offered for sale. Then, the "windfall" came unexpectedly, thanks to the special order issued by Chairman Choe Chong-hyon, the top leader of the Sunkyong Group. In instructing the donation to officials concerned, Chairman Choe reportedly stated: "In the first place, it was for public good that we set out for afforestation work. Therefore, at this time USC is having a difficult time because of the shortage of land for the required expansion of its experimental plantation, it is better to present the land to USC as a grant than to try to sell it to other buyers for some money (estimated at about 6 billion won)."

With the land thus presented by Sunkyong, USC is about to resolve the experimental plantation problem at one stroke. Currently, all the national universities but USC have their experimental plantation of over 6.05 million pyong each. In USC's case, the size is only 793,000 pyong and way below the minimum of 3.025 million pyong recommended by the Ministry of Education.

At any rate, by thus disposing of the land, the Sunkyong Group should really be feeling a load off its mind.

In the beginning, Sunkyong tried to sell the land but met problems. It has now gotten rid of the load by donating it to USC. Of the 3.213 million pyong of land Sunkyong was required to sell to comply with the Real Estate Regulatory Measure, 140,000 pyong was already sold to individual buyers and, including the piece donated to USC, the remaining land is now down to 33,000 pyong. The group thus disposed of 95.2 percent of the load, freeing itself from the real estate syndrome that has stricken conglomerates since the government announced the Regulatory Measure on 10 May.

The afforestation land Sunkyong gave to USC consists of 1.06 million pyong in Sanchok-myon, Chungwon-kun, North Chungchong Province, and 1.98 million pyong in Yonggang- and Haksa-myon, Yongdong-kun of the same province. The company in control, Sohae Development, reportedly has an annual revenue of approximately 1 billion won from apple, walnut and other orchards and economic forests there. Besides, Sohae Development owns 250,000 pyong of orchards in Hwasong-kun, Kyonggi Province, and approximately 9 million pyong of forests of fruit-bearing trees and other trees of economic value. All this puts Sohae Development's total real estate holdings at 12.25 million pyong. Now, 3.04 million pyong has been donated to USC for its development.

Earlier, in 1988, the Sunkyong Group did a "good thing" for SNU by deciding to spend a total of 5.8 billion won for a new building for the college of business administration (Sunkyong Business Administration Hall). The 5.8 billion won from Sunkyong covered the entire cost of the building. The construction of the eight-story building, including the basement, with a total floor space of 3,318 pyong began in September 1988 and is scheduled for completion in October this year.

Sunkyong is also known for its unusually active assistance to academic research. It is committed to subsidizing the SNU chemical engineering department's research projects in the catalyst, process system and propagation phenomenon areas with 66 million won over 10 years (1984-94). Altogether, its grants go to research on six themes.

Among them are the fundamental research on organic synthesis and analysis, and on geological composition being conducted by the SNU chemistry and geology departments respectively (1988-90; 21 million won); research on the manufacturing of special separation film for industrial use and on fuel cells by the Yonsei University chemical engineering department (1988-90; 50 million won); research on the knocking phenomenon by the Yonsei University mechanical engineering department (1990-91; 25 million won); research on multiple catalyst synthesis for LLDPE by the chemical engineering department of the Korea Advanced Institute for

Science and Technology (KAIST) (1988-1990; 20 million won); research on stearin-butadiene synthesis by one-to-one in-the-air combination being conducted by the KAIST chemistry department (1988-89; 20 million won); and research on development of specialist systems by the KAIST chemical engineering department (1989-90; 20 million won).

The scholarships paid by the Sunkyong Group to universities throughout the country in 1988 alone reached 6.36 billion won. Beneficiaries as of the end of last year included 122 students studying overseas, 38 persons with doctor's degrees, 156 candidates for studies in foreign countries, 215 university students, and 99 Sinology students.

Business World, Academic World Find Common Ground

In a case similar to Sunkyong's, the Tonga Group put 720,000 pyong of forest land in Yangsan, South Kyongsang Province, in the trust of Pusan University and the Institute of Industrial Technology.

The widely talked-about land—procured in February 1980 by Kongsan School, a Tonga Group-affiliated educational foundation, for use by the foundation to finance its scholarship program—is also part of the real estate put up for sale by the group to comply with the government's 10 May Real Estate Regulatory Measure. As was the case with Sunkyong, the sale offer was canceled amid the bargaining process and the land was turned into a gift by order from Choe Won-sok, the group's chairman.

The determination by Chairman Choe was to the effect that the land had been procured for scholarship work in the first place and that it should therefore be used in a way that suits the original purpose. Thus, the title for 411,030 pyong of the 720,000 pyong was turned over to Pusan University for the projected No. 2 campus, and the other 308,500 to the Institute of Industrial Technology (director: Pak U-hui) for use in creating a high-tech complex which has been the southeastern region's long-cherished dream.

There are many other instances of businesses building research and welfare facilities for universities on their campuses.

The Lucky-Goldstar Group has already spent some 1.5 billion won in support of scholarships for university students, professors' overseas research, and general academic developments. The group has also been positive with investments in the upgrading of facilities at universities located in Seoul. Typical cases are the funding for the construction of the Administration Hall and the dormitory at Korea University, the space observatory in Sokang University, and the Automation System Joint Research Institute at SNU. The group's funding of these projects has reached as much as 2.07 billion won in total.

Mid-Class Iljin Also Donates New Materials Institute

Also noteworthy is the case of the Iljin Group (chairman: Ho Chin-kyu), a middle-class enterprise that made rapid advances this year, which decided to spend 2.6 billion won to build a joint research institute on new materials for SNU.

Chairman Ho Chin-kyu is a graduate of the SNU metal engineering department. That was one of the background factors that prompted Ho, also called "the tightfisted," to make the big decision. With a view to encouraging research by young engineers of his alma mater, he readily donated the exceedingly huge fund, which is equivalent to half of Iljin's annual earnings. Needless to say, there had been a proposal from SNU.

As part of its long-range university development plan, SNU made the proposal to Iljin. Lately, Iljin has achieved remarkable successes in research on new materials by developing synthetic diamonds for industrial use and electrolytic copper film for PCB, embarking on mass production for the first time in Korea. Against those backdrops, SNU sought the Iljin Group's cooperation—and Chairman Ho readily approved the request.

Ceremonies held on 4 July marked the completion of the New Materials Joint Research Institute, the gift from Iljin. The five-story building, including the basement, is equipped with various research facilities. It has 16 research rooms, 33 laboratories, three seminar rooms and a conference hall on a total floor space of 1,500 pyong.

The institute will soon select research themes dealing with metal, ceramic, electronic, fiber and high molecular materials and embark on fundamental studies covering all the fields concerning materials in earnest. Dr. Yi Tong-nyong, director of the institute, emphasized that although the institute is located on the SNU Kwanak campus, it is not an SNU monopoly, saying: "When the institute is fully operational, it will be open to research professors and students from all the universities and institutes in the country with interests in new materials and it will become a cradle of new technology development."

Meanwhile, the Samsung Group built the "Hoam Saenghwal-kwan" complex in SNU and formally presented it to the university recently. And now it has begun ground breaking for the construction of a joint research institute for new computer technology on the SNU Kwanak campus.

The Hoam facilities, which cost Samsung 4.2 billion won and took two years to complete, has a total floor space of 2,711 pyong. It consists of three buildings—the three-story Hoam Hall including the basement and the East Hall and the West Hall, each a five-story building. In addition to quarters for professors and university personnel and research rooms, the buildings have a variety of facilities such as conference rooms, cafeteria, lounge and supermarket.

The complex is in memory of Yi Pyong-chol, the late chairman and founder of what is now the Samsung Group. This is why it carries the pen name of the late Yi.

In a separate project, the group is spending a total of 2.5 billion won to build a joint research institute for new computer technology for SNU. It is a project of massive scale and, when completed, the institute, on a lot of 1,000 pyong, will have a total floor space of 1,500 pyong. It will be the nation's largest industry-university high-tech facility.

Samsung Electronics Presents Computer Network to SNU

Separately from the group, Samsung Electronics recently built a computer network for SNU covering the entire Kwanak campus. Its wholehearted cooperation in this project demonstrated Samsung's typical management style. A team from Samsung Electronics' computer department worked directly on the campus to connect its major buildings and offices in a large-scale optical LAN (local area network) called "SNUNET." Also, the team installed sub-networks in major colleges, making data transmissions smoother. The LAN system installed in SNU for the first time is the highest-speed high-tech device with a transmission speed of 100 megabits per second.

Also for SNU, Samsung Electronics installed a packet-switching system, a private switching system exclusively for data transmissions, for the first time in Korea. As a result, an integrated computer network has been created, connecting terminals scattered in more than 100 buildings on the Kwanak campus, plus some 2,000 computers in the Suwon campus and the Yonkon campus in Tongsungdong.

The SNU's integrated network system has five host computers for use for different purposes such as administration, research and development [R&D], education, and experiments and field training. Also noteworthy is that the system is not just for internal informative communications within the university; a dial-up modem has been installed for outsiders, too, so that whoever is interested can share SNU data. It should not be overlooked either that the system made possible international information exchanges through BITNET (an international computer network for studies).

Earlier this year, Samsung Electronics donated personal computer-related materials and supplies to the electric engineering departments of Yonsei and Korea Universities. Presently, it is also pushing the work of installing an optical LAN system, similar to the SNU system, for Korea University. When this work is completed, the network will connect some 620 computers on the campus to accelerate research activities and the flow of information.

This is not all the support being rendered by electronics and computer businesses to universities. Goldstar Company, a rival of Samsung Electronics, procured approximately 45 million won worth of videos and basic research equipment for presentation to Yonsei University, while Hyundai Electronics Ind. donated to the same university research equipment and supplies worth 500 million won. Also, Sambo Computer donated more than 60 personal computers to the SNU accounting and statistics department; even Ellex [name as published] Computer (representative: Yi Yun- ki), a small computer maker, joined the ranks to add fuel to the campus computerization drive.

Sambo, Ellex [name as published] Donate Computers

Especially, Ellex [name as published] Computer, the Korean agent of the U.S. Apple Computer Inc., began playing an active role in the support-university drive this year, setting a positive example for businesses in the same field. In the past, the IBM Korea had been the only firm donating computers and related supplies to universities.

Ellex [name as published] thus launched a full-scale drive to support universities with computer and related supplies and the example it set will, hopefully, expand to involve other firms extensively. Among other things, there is a high possibility of it stirring competition among foreign computer businesses that made inroads into the Korean market. Benefits for universities will be unexpectedly great should it prove to be the case.

Ellex's [name as published] first gift to the Central Educational Research Computer Institute of SNU in March was the computer support system nicknamed "Mac Academy." Included were 13 units of hardware, such as Apple's strategic model Macintosh II Ci, and more than 20 kinds of software, which were worth approximately 100 million won in retail prices. Also donated along with the "Mac Academy" group were Videos, OHP, scanners and CD drivers. In other words, all the Apple-model equipment and supplies were donated in a package.

Ellex [name as published] also decided to extend its hand further and install additional "Mac Academy" systems for another five or six universities, including Yonsei and Korea, by the end of this year. Moreover, it has a long-range plan to further expand the support program by selecting five universities or so every year, beginning in 1991, and help them with computer systems.

The Daewoo Group, under instructions from Chairman Kim U-chung, has launched its assistance program for universities in Seoul and other provinces with an annual budget of 5 billion won. It was under this program that Daewoo decided to spend 2 billion won to build the precision machine designing joint research institute on the SNU Kwanak campus. Daewoo, through the Daewoo Foundation, has been contributing 2 billion won every year to support funds for research and scholarships for bachelor's course students.

Meanwhile, the Hyundai Group appears to be lagging behind Samsung and other rival groups in this respect. Hyundai Motor Company built two soccer grounds for Korea University in 1986 and that was about all Hyundai did for universities. The money it spent for that project was 750 million won.

On the other hand, Hyundai's assistance to scholarship programs and research continues, although it is not very brisk. Scholarships paid through the Kumkang Scholarship Foundation in the 1968-89 [figures as published] period reached 468 million won, with some 1,200 persons benefiting from them in the 10-odd years. Eligible for the program are university students from Kangwon Province whose school records are outstanding and who need economic support.

Hyundai's R&D funding support program, beginning in 1977, granted a total of 3.899 billion won on some 1,500 items of research in the period through 1989. Eligible for the program are full-time lecturers or higher-level instructors at all the universities in the country.

The Doosan Group has donated 1.315 billion won to various universities since 1979 in support of their academic research activities. The donations since 1986 are: 30 million in 1986, 186 million won in 1987, 263 million won in 1988, 181 million won in 1989, and 300 million won so far this year.

A Positive Response in Sense of Industry-Academic Complex

Specific instances of academic research financed by the Doosan Group include: the voluminous Chinese language dictionary compilation by the National Culture Research Institute of Korea University; the compilation of data concerning Korean women by the Korean Women's Affairs Institute of Ewha University; research on the history of Kokuryo by Yonsei University's Institute of Korean Classical Literature; fundamental research on the history of the Korean language by SNU's Prof. Yi Ki-mun; and research on fertilized eggs by Konguk University's Prof. Chong Kil-saeng. The Doosan support also included the donation of VAX-750 system to Yonsei University, the funding of the construction of the Women's Hall in Ewha University, a grant for research by Inchon Teachers College's Prof. Kim Chin-sik on a new interpretation of imperialist policy, funding of the chair of Korean language created at Auckland University, New Zealand; and research by KAIST on drawing buds from garlic cells. The assistance program seems to be fair for its relatively even distribution of funds.

Especially, the funding for Auckland University in New Zealand since 1988 is particularly noteworthy in that it opened a new field of assistance overseas.

The Doosan Group also spent 3 billion won to build the Kangwon Dormitory in March 1988 and has since been operating it for students from Kangwon Province.

The Hanjin Group, unlike other groups, is concentrating its aid activities on universities with which it has preemptive rights, such as Inha University and Hanguk Aviation College. The scholarships and education research funds donated to Inha University in the 1968-89 period reached 11 billion won. The facilities support funds it gave Inha during the same period amounted to 5.6 billion won. To the Aviation College, the group gave 6.4 billion won in scholarships and in funds to support educational research, and 1.8 billion won in facilities support funds over the 10 years 1979-89. Beginning in 1987, the group expanded its assistance program to cover universities and colleges in the Cheju region, spending 150 million won in scholarships and in equipment and supplies for research activities for four institutes—Cheju University, Cheju Teachers College, Cheju Junior College, and Cheju Nurses' College.

The Hanjin Group's future support plan includes a fund of 10 billion won earmarked for the development of Inha University, of which the first installment of 1 billion won was delivered recently. Also included is a contribution of 80 billion won for the construction of the university's medical college, which is scheduled to begin in November this year. The college will open in January 1993. As for the Aviation College, the group has plans to invest in various new facilities in connection with the college's scheduled move from Seoul to Ansong. The immediate project is to spend 400 million won to procure three training aircraft for the college.

Meanwhile, Pohang Iron & Steel Company [POSCO] has assistance programs for Pohang Engineering College and the Research Institute of Science and Technology (RIST), a foundation, which are just as generous and positive as the Hanjin Group's aid to Inha University and Hanguk Aviation College. Apart from its assistance to Pohang Engineering College which it established in 1986, POSCO pins great hopes on RIST, opened by POSCO in 1987, as "Pohang's technopolis." RIST has 430 researchers in four departments—steel, new materials, science and engineering, and management—including 200 doctorate holders. In up-to-date research facilities, equipment and supplies alone, POSCO donated to RIST as much as 60 billion won at least.

Lately, POSCO, bent on diversifying operations, has been pushing research by RIST on specified themes such as new materials, high added-value steel, robotics, and medical engineering products, and its investments in these areas are enormous. POSCO's annual spending for its business transformation and diversification amounts to 50 billion won.

Assistance Leaning to Seoul-Area Schools Criticized

Meanwhile, Kia Motors Corporation is aiding more than 30 cases of automobile-related research projects at eight institutes across the country—SNU, Hanyang, Yonsei, Songgyungwan, Inha, Konguk, and Pusan universities and KAIST—with a budget of approximately 900 million won. Samyang Foods Company spends 100 million won annually in its version of industry-university cooperation, assisting research in three universities—SNU, Konguk and Kangwon Universities—chiefly on foodstuffs and livestock industry closely connected with Samyang's business. The Kolon Group started in 1982 a 600 million-won assistance program—400 million won for natural science research and 200 million won for cultural science research. The program covers some 70 R&D projects at universities throughout the country.

The Kumho Group recently joined in the aid-university rush by putting 200 million won in a trust fund for SNU development projects. Separately from it, the group pledged to SNU authorities a subsidy of 30 million won in support of the university's Korean classical literature research.

Thus, businesses are in a race to aid universities. About this development, one may only say "the more, the better." The only problem is that their investments are lopsidedly in favor of SNU and other specified universities. It is seriously feared that the trend might result in rich universities getting richer and poor universities getting poorer.

In fact, some universities have long been protesting the trend. The donation of 25 billion won by Korea Explosives to the SNU library fund triggered a protest movement by USC students. In their demonstrations, the students called for a boycott of the baseball team owned by Korea Explosives. If that sort of thing should be all that there is to it, the problem would not be too serious; however, it is also true that the trend leaves a kind of uncomfortable taste in the public's mind. All the enterprises involved, determined as they are to aid universities, should stop and search their souls on this matter.

Brunei, Malaysia & Singapore

Malaysia

1990 Economic Growth Rate Revised Upward

BK0612051690 Kuala Lumpur BERNAMA in English 0313 GMT 6 Dec 90

[Text] Kuala Lumpur, Dec 6 (OANA-BERNAMA)—The independent Malaysian Institute of Economic Research (MIER) has revised upwards its forecast for Malaysia's 1990 growth rate to 10 percent, from the 9.2 percent projected in October.

This is the fourth revision since last November, when the government-backed think-tank said this year's gross domestic product would grow at 7.3 per cent. The third quarter's growth rate was estimated to exceed 10 percent, the same as the first quarter when the economy grew 11.3 percent. (The second quarter saw a shotdown to 9.2 per cent).

As for next year's growth rate, the MIER projected it to remain as earlier forecast, at 8.5 percent. However, growth rate would slow down to 7.5 per cent in 1992 as the labour shortage would become more acute, it said.

(The MIER assumes crude oil price would average US$28 per barrel in 1991 before falling to the pre-Gulf crisis target of US$21 per barrel).

Singapore

Indonesian Armed Forces Chief Arrives for Visit

BK0412130090 Singapore Domestic Service in English 1100 GMT 4 Dec 90

[Text] Also in Singapore is the Commander-in-Chief of the Indonesian Armed Forces General Try Sutrisno. His two-day visit is at the invitation of the Singapore Armed Forces Chief Defense Force, Lieutenant General Winston Choo. During his stay, Gen. Try will call on the prime minister and minister for defense, Mr. Goh Chok Tong. Gen. Try will also call on the minister for communications and second defense minister, Dr. Yeo Ning Hong and Lt Gen Choo. The Defense Ministry said the visit shows the close ties between both armed forces.

Meets With Goh, Yeo

BK0512123890 Singapore Domestic Service in English 1100 GMT 5 Dec 90

[Text] The defense chiefs of Indonesia and the Philippines are in Singapore at the invitation of Lieutenant General Winston Choo, Singapore's Chief of Defense Force. Mindef [Ministry of Defense] said their visits reflected the close ties between the SAF [Singapore Armed Forces] and the armed forces of the two countries. This morning the Indonesian Armed Forces Commander-in-Chief General Try Sutrisno called on the prime and defense minister, Mr. Goh Chok Tong at the Istana [Palace].

Earlier General Try held talks with the second defense minister, Doctor Yeo Ning Hong. General Try, General Choo, and the Philippine Armed Chief of Staff, General Renato de Villa, played golf at the Tanah Merah Country Club in the afternoon.

General de Villa, who arrived today will call on Mr. Goh tomorrow. He will also have talks with Doctor Yeo and General Choo.

Commonwealth Secretary-General Calls on Leaders

BK0412154890 Singapore Domestic Service in English 1400 GMT 4 Dec 90

[Text] The Commonwealth Secretary-General, Chief Emeka Anyaoku, today called on the prime minister, Mr. Goh Chok Tong at the Istana [Palace]. Chief Anyaoku briefed Mr. Goh on the agenda for the Commonwealth high-level (?preliminary) meeting in London next month. It is expected to include the review of the direction for the Commonwealth in the 1990's and beyond. Mr. Goh was also briefed on preparations for next year's Commonwealth heads of governments meeting to be held in Zimbabwe.

Chief Anyaoku, who is from Nigeria, was elected as secretary-general last year. He is here on a two-day visit to introduce himself to Singapore leaders. Among those he met were the senior minister, Mr. Lee Kuan Yew, and the foreign minister, Mr. Wong Kan Seng.

Chief Anyaoku, in an interview with SBC [Singapore Broadcasting Corporation], also spoke on his priorities. He said he is working towards the organization which can make significant contribution to international politics through consensus. He also would like to see a Commonwealth that will play a more active part in the social, economic development of its members.

The Commonwealth secretary-general said Singapore has played an important [role] in serving the organization's goal. He would like Singapore to share with other member countries its experience in developing a disciplined society.

Customs Apprehends Nigerian for Smuggling Heroin

BK3011124690 Singapore Domestic Service in English 1100 GMT 30 Nov 90

[Text] Customs officers have arrested a 34-year old Nigerian who tried to smuggle heroin into Singapore at the Keppel Road railway station. He was caught with some 2.8 kg of heroin concealed in two rice cooking (?utensil) tanks.

The officer in charge of investigations branch, Mr. Lum Fook Tin, said the seizure was the largest at the railway station this year. He said the drugs from the Golden Triangle were probably meant for the U.S. and European markets.

Under the law anyone convicted of trafficking in more than 15 grams of heroin faces the death sentence.

Cambodia

Hun Sen Gives Briefing on Paris Meeting

BK0112140590 Phnom Penh Domestic Service in Cambodian 0430 GMT 30 Nov 90

[Prime Minister Hun Sen's press briefing held at the Office of the Council of Ministers in Phnom Penh on the afternoon of 29 November—recorded. An editorial report of this Phnom Penh Domestic version was published in the 3 December East Asia DAILY REPORT, page 40, column two, under the headline "Hun Sen Gives Briefing on Situation".]

[Summary from poor reception] [Passage indistinct] "I would like to reiterate my decision not to attend the Cambodian quadripartite meeting per Samdech Sihanouk's invitation. This does not mean that I want to obstruct a political settlement. On the contrary, my only desire is to consolidate all political solutions in conformity with past negotiations and subsequent agreements. This is all I have to say. If anyone of you want to ask questions, I am ready to answer them."

[Indistinct question from foreign journalist]

[Hun Sen] Mr. Hor Namhong's trip to Paris has two purposes. First, it is to get information on the outcome of the meeting between the Big Five and the cochairmen of the Paris International Conference on Cambodia [PICC] and to discuss the reconvening of the PICC. Second, it is to appear in a French court to settle his personal business concerning a libel case with Prince Sihanouk.

[Indistinct question from a foreign journalist concerning Hun Sen's relations with the Khmer Rouge]

[Hun Sen] Regarding the genocidal clique, I would like to reiterate our demand for the political and military dismantling of this clique. "Now, despite the participation of the Khmer Rouge in the Supreme National Council [SNC], our official position remains unchanged: In whatever case, in whatever solution, there must be a guarantee of the non-return of the genocidal Pol Pot regime. As the representative of the State of Cambodia's Government, I would never sign any international agreement on Cambodia that does not mention the non-return to power of the genocidal regime." [passage indistinct]

"Is it the wish of the Phnom Penh government or the desire of the Western governments or ASEAN governments, or China, that we are obliged to accept a few Khmer Rouge leaders in the SNC? Although some Western countries are opposed to the presence of the Khmer Rouge, for the sake of their good relations with China, they have demanded that the Khmer Rouge be included in the solution of the Cambodian problem. What choice do we have? When we refused to accept those representatives of the Khmer Rouge in the SNC, people accused us of blocking the political settlement. But when we accepted them, people worried about the so-called Red Solution, that is, about the alliance between the Polpotist Khmer Rouge and Phnom Penh.

"Let me stress here that this is a misunderstanding. Relations between the Phnom Penh government and the Khmer Rouge can only exist in the case of those who have abandoned the Polpotists and are opposed to Pol Pot's policy of genocide. We have adopted and we are implementing a lenient policy toward not only those misguided by Samdech Sihanouk and Son Sann, but also those who have deserted from the ranks of Pol Pot and returned to the national fold. We have carried out and are carrying out this policy so that they can return to the national society on condition that they join with the Cambodian people in opposing the return of the genocidal Pol Pot regime."

[Question in English followed by Cambodian translation] I represent AFP. Mr. Prime Minister, we have learned that the Khmer Rouge said that they would attack Angkor Wat if the Paris peace talks failed. What preparations have your government and the armed forces made to cope with this threat?

[Hun Sen] This does not mean that the Khmer Rouge have not already conducted any military activity before the announcement that they will do it. It was known just a few hours after the Jakarta informal meeting to set up the SNC was held that the Khmer Rouge resumed military action, and they had already agreed to accept the Big Five document and the Jakarta document calling for military restraint. Last week they announced that they would attack and capture Siem Reap and Kompong Thom. They tried to frighten the population of Kompong Thom into evacuating the town to avoid Khmer Rouge attacks. This is Khmer Rouge goodwill. They use their threat of attacks to pressure the Paris meeting and other forums.

"I would like to stress that this is neither the first nor the last of Khmer Rouge threats. If I remember well, the Khmer Rouge threatened to liberate Cambodia since 1980-81." Both the Khmer Rouge and their chief Prince Sihanouk proclaimed at the Paris conference that should the Vietnamese troops completely pull out, the Hun Sen government would collapse. They attempted to attack and liberate Battambang and Siem Reap within two months. But they failed.

"I would like to tell you that we are not belligerent, but for the happy life of the Cambodian population, we are ready to counterattack the military adventures of both the Polpotists and their allies Sihanouk and Son Sann. We have never put down our guard in this area. We want peace, but in such an emergency we must be ready to counterattack. We will not launch offensives because we respect the appeal of the UN Security Council and the United Nations calling for military restraint. We will not launch offensives, but we will counterattack any enemy attack. Our armed forces are fully able to protect our people."

[Question in English followed by Cambodian translation] What is your opinion about the plane flight to Phnom Penh by a private French company a few days ago. Does it have any political bearing?

[Hun Sen] The Cambodian people are grateful to the French airline company, private though it may be. This restoration of air contact between France and Cambodia has been made after the first visit in 20 years by a French Government delegation and following the reopening of the French cultural center in Cambodia. "Though we do not consider this as a move that would promote the political image of the Phnom Penh government, it certainly bears some political significance in the relations and contacts between Cambodians and the French and other peoples." This is most valuable to the immediate and long-term relations of Cambodia and France. I do not mean to say this flight constitutes support for our government, rather it is the restored link between the Cambodian and French peoples.

[Question in French followed by Cambodian translation] I have two questions. First, compared to the same period last year, do you feel we are coming closer or farther from an agreement. Second, if no solution comes forthwith, how many more years will you be prepared to wait for one?

[Hun Sen] A year has elapsed since the last PICC. A lot of efforts have been made to find a solution through several forums, both regional and international. If we take the Gareth Evans proposal as a basis, we will see that through all these efforts we are now coming closer to a Cambodian solution. This is because the Australian foreign minister's proposal, supported by the Big Five, has avoided raising anything that would result in the same impasse as at the PICC. "However, one thing needs consideration: the different interpretations of the Big Five framework document. This variance in interpretation centers mainly on the question of dismantling the government of the State of Cambodia. This is what I would call the recurrence of an old disease which would keep us away from an agreement. I would like to stress that to this hour I have not received any document of the just concluded meeting of the Big Five and PICC cochairmen. Some interpretations, however, have caused me concern. I have also predicted that the Paris meeting would be a failure, 99.99 percent, if there was an attempt to raise the question of dissolving the current Cambodian Government and replacing it with the SNC which includes the Polpotists among its members, or to place Cambodia under the complete control of the United Nations."

If the old disease does not worsen, we will find ourselves closer to an agreement because the key to a political solution in Cambodia is free elections. "Therefore, all efforts should be concentrated on holding an early election organized and controlled by the United Nations."

On the second question about how long I will be prepared to wait, let me tell you that we have been trying for a political solution for a long time and we are determined to wait for one as long as necessary. I have one secret: In 1984 when I was deputy prime minister and minister of foreign affairs, I went to Paris for a secret meeting with Sihanouk. The prince however apologized through the offices of French officials that he could not meet me because China and the Khmer Rouge had objected. So, our efforts to find a political solution have been made since a long, long time ago.

We hate war because war is bad for the people. Pending a political solution, however, we will have to continue fighting to defend the lives of the people. "How long will we be able to wait? Let me tell you, we have waited for 11 years now. We can continue to wait. If not for another 11 years maybe half that time." It is my conviction that we must get a political solution. Any delay means war, and war means losses of Cambodian lives. The ones who will suffer in the waiting are the Cambodian people. You know, after the failure of the PICC, it was said that the Cambodian factions should be allowed to work it out militarily on the battlefield for six months. This in fact was the trial in the blood and flesh of Cambodians. To wait just one more day would be like waiting for one more year. Waging a war is not like walking in the park. We do not want to wait, but, if need be, we can wait.

[Question in English followed by Cambodian translation] I am from UPI. Is it true that the Khmer Rouge are making deep penetrations into the country and besieging some towns in their drive to strangle Phnom Penh? With the perceived reduction in aid from East European countries, will your government be able to withstand the possible onslaughts of the Khmer Rouge who purportedly are just some 40 km away from Phnom Penh?

[Hun Sen] "I am not joking. The Khmer Rouge are in reality only about 500 meters away from you, Madame. The Khmer Rouge have drawn a map claiming to have gained control of immense areas and to have conducted activities in the so-called guerilla zone close to Phnom Penh or even inside Phnom Penh itself. This should not be hard for you to understand. Terrorist acts are not confined to Cambodia only. Those of you who are French must certainly have heard or known about bomb explosions in Paris. Likewise, those of you who are Britons must also have heard about bomb blasts in London. This is normal."

What the Khmer Rouge are doing in Cambodia is not so different. Their liberated zones are not different from the areas where terrorist acts are conducted in other countries. They cannot militarily control these areas, though.

I went to Battambang town the other day. Would that mean that I was near the tripartite coalition? This is not surprising for a country at war. If you compare my country with the Philippines, you will see that Mrs. Aquino is experiencing much more serious hardship than us. Coups d'etat and assassinations of officers, including American officers, take place in Manila itself. Fighting also takes place on many islands several of which fell into rebels hands. Here, the situation is not as bad as that. No fighting is taking place in downtown Phnom Penh or any other cities either in the so-called Khmer Rouge-infested western region or in the eastern or central regions.

"I do not want to boast about our military prowess, but I deem it necessary not to allow a handful of people to write arbitrarily about the so-called military superiority of the Khmer Rouge, which constitutes an alarmist action." Once I was in Paris for talks, rumors spread alleging that Ratanakiri, Mondolkiri, Kompong Cham, Kratie, Battambang, and Siem Reap Provinces had already been liberated. Kompong Chhnang and Kompong Speu, too, were said to have fallen. I was in Paris and was not allowed to contact home. I said there was nothing for me to do but to ask for asylum in France.

In Jakarta, through a press release, Sihanouk claimed that the resistance forces had liberated tens of thousands of villages, thousands of communes, and hundreds of districts. I then informed some Indonesian and UN officials that if that were true I would have to ask for political asylum in Indonesia. For I had no other choice. Cambodia has only 156 districts but Prince Sihanouk claimed to have liberated hundreds of them. I only want to point out to you the propaganda claims of the Khmer Rouge.

I went to Battambang the other day. The AFP correspondent also met me there. If it were true that the Khmer Rouge are only 40 km from Phnom Penh, how could I go to Battambang?

On the question about our economic difficulties, let me say that it is true. It is not surprising for a country at war. If a country at war has a prosperous economy, all countries in the world would surely want war. This is very elementary. To buy arms you have to lose some bread. To have bread you have to stop buying arms. As for us, we want both arms to protect the people and bread for them to eat.

"There certainly have been cuts in aid from East European countries. Nevertheless, let me say that, thanks to the efforts over the past more than 10 years, in the past few years we have shifted from unconditional aid to mutual cooperation. Although, the balance of trade between us and those countries have not yet been achieved, we have reduced or ended gratuitous, unconditional aid and opted for cooperation with reciprocal benefit. We have exported rubber and other resources in exchange for goods from those countries." Sure, the cuts in aid from these countries have hurt us, but they have not strangled us.

Currently, the government is taking action in view of two possibilities: If there is a political solution, then great. We want a political solution. But there is also the possibility of no political solution because the Khmer Rouge do not want it. We have sought both military and economic measures to cope with these possibilities. Some countries, like the Philippines in 1988 and early 1989, would declare a state of emergency that would allow the government to requisition the people's property for use in war.

"My position in Cambodia is that we will never declare a general mobilization or state of emergency to requisition the people's property to fund the war. The government, however, will do every other thing in order to overcome difficulties in case war continues and foreign aid is cut. We will take various economic measures and will absolutely avoid resorting to general mobilization or state of emergency."

[Question in English followed by Cambodian translation] Some reports said that Mr Sok An went to Beijing. Can you confirm or deny claims that there were direct talks between the Phnom Penh government and the U.S. Government and between the Phnom Penh government and the Chinese Government?

[Hun Sen] You should not be surprised about any talks we had with the U.S. Government following the U.S. policy shift on Cambodia. The Cambodian-U.S. talks were held before the establishment of the SNC. Therefore, they were contacts purely between the U.S. Government and the Phnom Penh government. "I also have nothing to hide about our contacts with China because of some widespread press revelations made in Bangkok concerning the meeting in Jakarta between a Cambodian deputy minister and the Chinese delegation coming to monitor the Jakarta conference, and another meeting between Cambodian Deputy Foreign Minister Sok An and the charge d'affaires of the Chinese Embassy in Bangkok. All of this is now history.

"However, I would like to stress that the contacts between the Chinese Government and Phnom Penh have been made within the framework of the SNC, which is different from the U.S.-Cambodian contacts. The meeting in Jakarta was held just a few hours after the formation of the SNC. Chinese leaders also stated that after the establishment of the SNC they would contact all Cambodian factions within the framework of the SNC which, incidentally, also includes the Phnom Penh government. Therefore, it would not be a surprise if contacts between us and China resume. However, it is not true that Sok An went to China. This is pure speculation on the strength of Sok An's past contacts with the Chinese delegation and charge d'affaires.

"I would like to inform you that we are ready at all times to go into either direct contact and talks with the U.S. and Chinese Governments or contacts within the framework of the SNC to which we belong."

[Question in English followed by Cambodian translation] Last week when you visited Kompong Cham and Battambang, a joint statement of the Cambodian, Vietnamese, and Lao leaders' meeting was issued. It seems that Phnom Penh has adopted a harder line regarding the interpretation of the document on a Cambodian solution. Does it mean that you have reverted to the position adopted 12 months ago?

[Hun Sen] "In the past few days, there has been some misinterpretation of the stance adopted by the Phnom Penh government. I would like to stress that we accepted the Big Five framework document in Jakarta and clearly stated that it would be further elaborated at the PICC. However, the interpretation of this framework document by each faction was made to serve its own desire for advantage in the Cambodian solution. The interpretation by the other Cambodian side, let me tell you, is arbitrary. It is necessary for me to clarify this in order to avoid misunderstanding among Cambodians. Such an arbitrary interpretation is unlawful. Some passages, admittedly controversial, have been willfully misinterpreted. Yet, they also willfully misinterpreted some perfectly clear passages." For this reason, at a press conference in Jakarta, I asked the Big Five to interpret the document to avoid controversy.

The other Cambodian side insisted that the Jakarta document wants Sihanouk to be Supreme National Council [SNC] chairman. I pointed out to them that this was not so. I insisted that they play fairly. They signed the Tokyo document with me and ignored it a few days later. But the Jakarta document is very important as it is vital to the existence of the SNC, the Big Five framework document, and the PICC. For this reason, we cannot allow them to violate it. How can we accept Sihanouk if the document does not mention anywhere that Sihanouk should be the SNC chairman?

After this briefing, please have a look at the document again and see which passage says Sihanouk has to be SNC chairman and its 13th member. It only says that the 12 members, if they want to, shall elect a person to be chairman who, in that case, will become the 13th member.

"I respect Samdech Sihanouk and I want him to be the chairman, but such a serious violation of the document is unacceptable. It is unequal and unfair."

Concerning the UN role, there is also misinterpretation of our position. In 1989 I repeatedly declared that should the United Nations continue to recognize the Pol Pot-led Coalition Government of Democratic Kampuchea, the United Nations has no role in Cambodia. Later on the United Nations, at Gareth Evans' prompting, decided to leave the Cambodian seat vacant. This was what we wanted. However, some analysts said it was because the Hun Sen government felt the military pressure of the resistance that Phnom Penh changed its stance from not accepting to accepting a UN role. "I would like to inform you clearly that at this hour, if the Khmer Rouge return to the UN seat, I will immediately announce that we will not accept it."

"We have thus stopped objecting to the UN role. This is based on UN respect for Cambodia's sovereignty. What we want is for the UN Charter to be respected." At the informal meeting in Jakarta in February, we agreed to accept a UN role in carrying out two major tasks: supervise the implementation of international agreements on Cambodia and organize and supervise free elections in Cambodia. "Then, I also stressed that I would examine relevant issues concerning the UN role in the civilian administration. Thus, it is clear on this point that Cambodia will not be under the control of a UN government in Cambodia. However, the United Nations will receive some rights handed over by the SNC, namely the supervision of the implementation of international agreements on Cambodia and the organization of elections in Cambodia. Concerning issues relating to the civilian administration, I myself wrote to Soviet Foreign Minister Shevardnadze before the five permanent members met. At that time, we took into account demands made by others who want to put five ministries under UN control: the ministries of information, finance, defense, interior, and foreign affairs. I have said that we have no habit of allowing the United Nations to administer any country or part of a country. The UN Charter does not allow this, not even in a colonial territory such as Namibia. Therefore, the United Nations certainly cannot be in charge of these five ministries. Out of concern for other people's views, we proposed through the Soviet Union that we agree to a supervision of (? how) these five ministries are run. This is the UN connection with the civilian administration. We are not retreating from this, but there should be a clear distinction between the duty to supervise and organize elections and the duty to administer like a government."

"We are doing this not just for Cambodia alone. A bad habit should not be created for the United Nations so that it can violate its own charter. In Namibia, a colony of South Africa, UN involvement is limited to safeguarding a neutral atmosphere and assisting in the elections. South African structures, state authorities, and the police remain intact. Cambodia is an independent and sovereign country. Can it hand over its administration to the United Nations? Allowing the United Nations the duty to organize and supervise elections is a lot already; this is more than countries the world over have ever done."

It is easy for some people, who used to bow to foreign colonialist regimes, to decide on this issue. "I do not want to allude to anyone. However, in this conflict, there are a number of persons left over from the previous period. They agreed to be under French rule when France came. When Japan came, they agreed to put the country under Japanese control and abolished the treaty with France. When Japan was defeated in the war, France returned. These people put the country under French control again. In the 1970's, the United States brought in its troops. These people then put the country under U.S. aggression. For these people, it is easy, but for those who care about independence and sovereignty, they should think about their sovereignty."

There should be a clear distinction between the issue of sovereignty and the UN role.

"Another issue is that in any political solution, measures should be taken to prevent the genocidal Pol Pot regime's return. If measures to tie the hands of the Phnom Penh government are taken through dissolution of the army before elections and disarming the Phnom Penh forces while no one knows where the Pol Potists have hidden their weapons and troops, this is a great risk to the lives of Cambodian." Samdech Sihanouk and Son Sann are not the ones who really oppose Pol Pot. The Phnom Penh government is the one who is really opposing Pol Pot and has the capability to do so. This issue should be carefully considered because it is the Cambodian people who will die and not the United Nations and foreigners who come to work here.

It is easy to disband our government troops. "But can anyone provide a sure answer that this is the same with Pol Pot troops and their weapons, and those of Pol Pot's allies in the Dangrek mountains or in jungles? No one can give this answer. In this case, do not try to disband government troops because this would pave the way to the Pol Pot regime's return."

"There are two major requirements to consider in the search for a compromise in the military field. The first is to achieve a cease-fire and create a neutral atmosphere for the elections. If there is no cease-fire, there cannot be elections. The second major requirement is to prevent the Polpotists from using military force to seize power during the disarming and dissolution of the armed forces. These two requirements should be considered together. We are of the view that disarming and dissolving troops cannot be done before elections because this would create conditions for Pol Pot to return most easily through military force when we are disarmed and our troops have been disbanded. However, troops also cannot be left to fight as they are doing now; there should be a cease-fire and troops should be assembled at places which have been agreed upon. After the cease-fire, efforts should be made to organize the stationing of troops. Units can then be separated to prevent exchanges of artillery fire as this would lead to the resumption of the civil war. If necessary, buffer zones could be set up by UNTAC [UN Transitional Authorities in Cambodia] to prevent hostilities among troops. Another point is the prohibition to take weapons out of their positions. However, weapons should not be kept in warehouses either. This is a neutral point in the sense that, on the one hand, weapons allowed outside positions would lead to armed clashes, and on the other, weapons left in warehouses would lead to Pol Pot's return or attacks. Therefore, a compromise should be found, that is assembling troops in positions and storing weapons there instead of removing them. In this way I think that we can meet the two requirements of creating an atmosphere for elections with a cease-fire, and not giving an opportunity for the Polpotists to return. As for the definitive dissolution of the army, the elected government should decide whether these troops should be dissolved or integrated. This is the right of the elected government. They cannot be dissolved before the elections."

"Thus we should say that election is the key to achieving a political solution. The election results will decide administrative, political, and military issues. This is what my position has been in the past when people accused us of toughening our stance. If people want more than this, we cannot accept it. If people say we are hardening, we will accept it. Isolation is better than death. This is our stance."

[Indistinct question in English on the issue of a multiparty system in Cambodia followed by Cambodian translation]

[Hun Sen] Cambodia is becoming a country with many parties. "The multiparty system we have now is not the same as in the United States, France, or Thailand where only political battles are fought. The multiparty system now in force is one with battles on every front, including the military. This is the real situation in Cambodia. It is already a country with many parties. So, if these parties voluntarily agree to stop fighting and look for a political solution, this would automatically create parties which could compete against one another politically to replace the political and military competition. Thus, Cambodia cannot resist a multiparty political system."

"During the elections, whether parties from this or that country can take part or not is subject to future discussion. Should we further complicate the issue or limit and solve existing ones, or should we wait until the next elections to allow many parties to take part? There are now many parties; four parties in two governments are currently fighting. In the elections, should only these four parties be contesting or should there be other parties? This is worth discussing. After the first election, it is automatic that in future elections there will be more parties. I cannot predict how many. There are now four parties in two governments."

"There are now four parties in Cambodia. Issues will be solved regarding the number of parties. It only depends on time. But should we create new problems? I cannot say anything now because this is subject to discussion."

[Partly indistinct question in French with Cambodian translation relating to expenses for rebuilding Cambodia]

[Hun Sen] According to our study, our needs after the war are immense. After more than 20 years of fighting and destruction, the consequences of this destruction is great. It would cost a lot to rebuild communications and transport infrastructure such as roads and bridges to ensure good links between cities and rural areas and to improve the people's living standards in rural areas.

"In the production sector the need is great, starting with the conflict between demand and supply. We call this the demand and supply imbalance. Our country is a weak agricultural country. Rice is the most important food. The rate of population growth is not less than 2.8 percent. According to our calculations, if the population increases by one percent, food supplies should increase by three percent in order to feed the people. In our country, agriculture depends almost entirely on nature; large areas are infertile. In a situation where the population increases by not less than 2.8 percent, the increase of food supplies is sometimes high and sometimes low. Solving this problem requires investing large amounts of capital on food production by focusing on solving water problems, buying fertilizers and pesticides, and introducing agricultural techniques. I cannot predict how many thousands of millions of dollars are needed, but a lot is needed to solve these problems. We haven not yet talked about health, educational, and social issues. There are many problems to be solved. We need massive capital."

"We hope that if there is a political solution, with technicians we have trained together with Cambodian nationals who have been reconciled, we would be able to solve them."

Prince Sihanouk Facing Libel Charges in Paris

AU0512142690 Paris AFP in English 1417 GMT 5 Dec 90

[Text] Paris, Dec 5 (AFP)—Cambodian resistance leader Prince Norodom Sihanouk appeared before a French court here Wednesday on libel charges filed by Cambodian Foreign Minister Hor Namhong.

The case arose from an interview with Prince Sihanouk published by the French paper, JOURNAL DU DIMANCHE, in which he accused the official of the Phnom Penh regime of having commanded a Khmer Rouge concentration camp.

Mr. Hor Namhong, who was also present to testify, is seeking 500,000 francs (100,000 dollars) in damages from Prince Sihanouk. The resistance leader has been in the French capital for some two weeks now trying to organize talks to break the stalemate in the Cambodian peace process.

Roger Therond and Remi Favret, the director and a journalist for the Journal where the interview appeared on July 23, 1989, are also being sued.

Mr. Hor Namhong told the court Wednesday that he had never directed any such camp but that as a "former Sihanoukist", he himself was detained in a re-education camp for intellectuals from 1976 to 1978. He told the court he had been arbitrarily appointed in 1978 to head the camp "committee" responsible for handling food distribution, giving out work and organising political brain-washing sessions. "To refuse or ask questions would have been suicide," he said.

Prince Sihanouk had accused him of "responsibility for the death, following atrocious torture, of many former members of the anti-American resistance" an apparent reference to royalist supporters who opposed the pro-U.S. Lon Nol regime ousted by the Khmer Rouge.

The trial, which continues Thursday, was given the go-ahead last July after the French court ruled that Prince Sihanouk, whose coalition has U.N. recognition, had no diplomatic immunity in the case.

The Phnom Penh regime is not recognized by the United Nations.

Sihanouk Call for SNC Meeting Criticized

BK0612100790 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Dec 90

[Station commentary: "Do Not Be Over Ambitious"]

[Text] On 30 November, Samdech Sihanouk sent letters inviting Supreme National Council [SNC] members to meet with him in Paris to discuss the SNC problem and other issues.

Everyone remembers that on 25 November this prince invited but failed to get all the Cambodian factions together for a fraternal quadripartite meeting. The international community regarded that invitation as an outdated idea. Despite this, the prince shamelessly invited the 12 SNC members to meet with him.

We would like to raise this question: What right does Samdech Sihanouk have to call a meeting of SNC members?

Everyone knows Samdech Sihanouk is not an SNC member and this cannot be blamed on anyone but himself. Since he is out of this organization which symbolizes national independence, sovereignty, and unity, does he have any right to invite SNC members to meet with him? Although the SNC still does not have a chairman and has not functioned due to obstacles created by the other Cambodian side, Samdech Sihanouk has no right or power to call for such a meeting.

Samdech Sihanouk, who now heads the exiled tripartite coalition government, has the right to invite only Son Sann, Khieu Samphan, Ranariddh, or those from this phantom government, but he has no right to invite the six SNC members of the State of Cambodia.

Another ridiculous point is that Samdech Sihanouk has invited them to meet on the SNC which has already been discussed and formed in Jakarta on 10 September. The prince might have forgotten that on the day of the SNC formation, he pretended to be sick in Beijing. If the prince has really forgetten this, we would like to remind him that the SNC has already been composed and that there is no need to hold further discussions on it. Moreover, the main purpose of forming the SNC is not the SNC itself. The most important role of the SNC is to discuss the problems of a voluntary cease-fire, cessation of foreign military aid, and free and fair elections in Cambodia. Or perhaps the prince's idea, due to the recurrence of his old ailment, of taking one step forward and a few steps back.

Everyone remembers well that in Tokyo at the beginning of June, the prince signed the joint communique on the formation of the SNC and rejected it a few days later. Later in Jakarta, he invited everyone to form this existing body. When all those concerned had arrived there to finalize the SNC composition, the prince refused to attend the meeting. When everything was over, the prince then proposed that he become the chairman and 13th member of the SNC. This is totally against the agreement reached. Now, the prince has invited everyone, even SNC members, to meet with him in Paris to discuss the SNC issue again.

National and international opinion does not understand the prince's intention in calling for this meeting. The prince might want to go there to pressure others to recognize him as the 13th member.

We still remember after the delay at the Paris meeting due to the attempts by the prince and his allies to include the genocidal Pol Pot clique's role in the solution, that the prince defied the State of Cambodia by continuing a military offensive.

The SNC's process is being blocked because the other Cambodian side has raise the issue of the prince as the obstacle. In addition to this, Western sources have reported recently that the U.S. Senate has promised to give $20 million annually in aid to the prince and Mr. Son Sann. The Pol Pot clique has also received more tanks and artillery pieces from foreign countries. This might be the reason why the prince has invited everyone to this meeting, that is, to bring about another stalemate and to urge the others to continue fighting.

Everyone knows that during the past 12 years, the prince has fought only in Beijing, Pyongyang, or Paris. Therefore, even if the war drags on, the prince will neither be injured nor need to take refuge in the trenches like the Cambodian people.

In sum, the prince's decision in inviting the SNC members to meet with him might be due to a handful of sycophants whose flattery has led him to believe that he is now SNC chairman.

The prince once said that he wanted to be above all the Cambodian warring factions, but he has placed himself too highly now. The SNC must hold meetings or make decision based on consensus. Because of this, the prince should stop playing this kind of foolishness.

SPK Reports Enemy Casualties in Kompong Thom

BK0612072890 Phnom Penh SPK in English 0440 GMT 6 Dec 90

[Text] Phnom Penh SPK December 6—In the just-ended monsoon season, the government troops in the province of Kompong Thom, 150 km north of Phnom Penh, put out of action 904 enemy troops, including 729 killed, 109 wounded, and 66 captured. The government troops also seized 163 firearms and a number of other war materials.

In the same period, 404 Khmer reactionary troops armed with 191 guns gave up their ranks and reported themselves to the local authorities. They showed the authorities a cache containing 45 guns and other war means.

Moreover in the week to November 22, 10 ex-Polpotists and one ex- Sihanoukist deserted their ranks and crossed over the the community with 11 assorted guns.

Chea Sim Marks KUFNCD Founding Anniversary

BK0212164790 Phnom Penh Domestic Service in Cambodian 0430 GMT 2 Dec 90

[Text] At 0800 on 2 December in the National Olympic Stadium complex, a solemn mass meeting was held under the lofty chairmanship of Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of both the National Assembly and the Kampuchean United Front for National Construction and Defense [KUFNCD] National Council, to mark the 12th founding anniversary of the KUFNCD.

Participating in the meeting were members of the party Central Committee Political Bureau; members of the party Central Committee; leading cadres of party, state, and front institutions and mass organizations; ministers and their deputies; and directors general; as well as cadres, combatants, staff, and workers from central services and offices; intellectuals; Buddhist monks; minor ethnic groups; and some 7,000 Phnom Penh residents. Ambassadors, charge d'affaires, and delegates from friendly countries' embassies to Cambodia were also present.

On the solemn occasion, on behalf of the party, government, and front, Comrade Chea Sim thanked and praised cadres, combatants, workers, farmers, intellectuals, Buddhist monks, minor ethnic groups, and the Cambodian people all over the country for having used their physical and moral strength to implement the party and state's policies to serve the cause of defending and rebuilding the motherland and protecting national social gains.

The comrade recalled the significance of the day of 2 December when the Kampuchean United Front for National Salvation—currently called the KUFNCD—was created. He also spoke about the progress made by the State of Cambodia over the past 12 years and the goodwill of the Cambodian State's Government in the search for a political solution to the Cambodian problem. Comrade Chea Sim stressed that our sacred task for the time being is to continue upholding the banner of national independence and the great national union around the Kampuchean People's Revolutionary Party with the view of marshalling the forces of masses and people from all walks of life inside and outside the country into jointly and vigorously serving the cause of defending the nation, the social national gains, and the people's authorities and rebirth. This is also to protect property, manpower, and intellectual strength with the aim of restoring the national economy and rebuilding the Cambodian national society.

SRV Control Commission Delegation Arrives

BK0612085090 Phnom Penh SPK in French 0406 GMT 6 Dec 90

[Text] Phnom Penh 6 Dec (SPK)—A delegation from the Control Commission of the Communist Party of Vietnam Central Committee led by its chairman Vu Thi Hong, member of the party Central Committee, arrived in Phnom Penh for a one-week working visit to Cambodia [arrival date not given].

The delegation was greeted upon its arrival by El Vansarat, member of the Kampuchean People's Revolutionary Party Central Committee and representative of the party Control Commission; and Vu Vuong Viet, adviser of the Vietnamese embassy in Cambodia.

Indonesia

'No Problem' Seen for Satellite Launch in PRC

BK0612023490 Jakarta ANTARA in English 1205 GMT 5 Dec 90

[Excerpt] Jakarta, 5 December (ANTARA)—Perumtel, the domestic telecommunications corporation, will have no problem if the government instructs it to use the PRC rocket facility for launching the Palapa satellite.

Susilo Sudarman, minister of tourism, posts, and telecommunications, disclosed the news about the Palapa satellite launching to journalists after he met with President Suharto at the Bina Graha presidential office Wednesday [5 December] to brief the president on the number of foreign tourist arrivals this year.

"In short, I am waiting for further instruction," said Susilo Sudarman, who was asked by newsmen on the aftermath of the president's recent visit to the PRC.

During his visit to the PRC, the president visited the rocket launching facility belonging to that country, during which the head of state said there was a possibility of launching the Palapa satellite using the PRC rocket.

Susilo Sudarman said the new Palapa satellite must be launched in 1992 and it takes between 18 and 20 months to prepare for a launch. The Palapa satellites have thus far been launched from the United States. [passage omitted]

Vice President Meets Kuwaiti Delegation 5 Dec

BK0612073090 Jakarta Domestic Service in Indonesian 0000 GMT 6 Dec 90

[Text] Indonesia continues to hope that the Gulf crisis will be solved in a peaceful manner because war will affect the entire world, including Indonesia. Vice President Sudharmono said this when he received a courtesy call from a delegation of the Kuwait People's Committee, led by its chairman (Halib Abdullah al-Fajr) in Jakarta yesterday.

(Halib Abdullah al-Fajr) briefed the vice president on the impact of Iraq's invasion of Kuwait. Some of the Iraqi actions were simply brutal. The three-man Kuwaiti delegation is one of the 15 Kuwaiti People's Committee teams dispatched to various countries in the world. The delegation is now in Indonesia to provide a clearer picture on the situation in Kuwait to the government and people of Indonesia.

Government To Postpone Haj If Gulf War Occurs

BK0512124590 Jakarta ANTARA in English 0940 GMT 5 Dec 90

[Text] Jakarta, Dec 5 (OANA-ANTARA)—President Suharto has ordered Religious Affairs Minister Munawir Sazali to continue preparations for the haj pilgrimage of Indonesian Muslims to Mecca in Saudi Arabia in 1991.

However, the president cautioned, if war should break out in the Gulf, the pilgrimage would have to be postponed. This was revealed to the press by Minister Munawir after he reported to the president at the Bina Graha presidential office Wednesday.

Munawir said Indonesia was hoping there would not be war in the Middle East. However, if war does break out then the government has to postpone the haj pilgrimage.

The pilgrimage is expected to take place in the third week of June next year.

To explore possible eventualities, including the occurrence of war in the Middle East, Minister Munawir had held talks with Armed Forces Commander General Try Sutrisno.

The present situation is different from that of the past, the minister said explaining the background to his talks with the armed forces commander. As comparison, he said, during the revolution for independence the government had once cancelled the execution of haj pilgrimage because of the impossible situation.

Asked of the possibility that Indonesia might be the only country postponing its citizens' haj pilgrimage next year, he replied that even now certain countries had already announced the cancellation of their citizens' pilgrimage.

The reason they gave was that there were foreign multinational forces in Saudi Arabia which were "forces of occupation," the minister noted.

However, he added, the concentrations of foreign soldiers are 1500 kilometers from the holy cities of Mecca and Medina. The hundreds of thousands of foreign forces are deployed in Saudi Arabia to guard the country from possible attacks by Iraq. Iraq still occupy Kuwait till now.

Meanwhile, in reply to questions, Munawir said that the haj pilgrimage cost to be paid to the government by a pilgrim would be raised again next year. He still couldn't say how much it will be raised from this year's haj pilgrimage cost of 5.32 million rupiahs. But, he added, it would not exceed 6 million rupiahs.

The possibility is open that it would be reduced again when the Gulf crisis has subsided.

In a short time, several officials from the Indonesian Embassy in Saudi Arabia would come to Jakarta to report the latest situation in the country, according to the minister.

Government To Build TV Transmission Stations

BK2711005890 Jakarta Domestic Service in Indonesian 0000 GMT 27 Nov 90

[Text] Speaking at the opening ceremony of a TVRI [Television Republic of Indonesia] transmission center in Aceh yesterday, Information Minister Harmoko said the government will build eight more TVRI transmission and broadcasting stations in Aceh next year. He said the government will allocate a fund of 4.8 billion rupiah to build the stations. Besides, the Radio Republic of Indonesia Aceh regional station will also increase its broadcasting hours.

Laos

Cambodian Party-State Group Leaves for Home

BK0612124390 Vientiane Domestic Service in Lao 1200 GMT 6 Dec 90

[Text] The high-level party and state delegation of Cambodia led by Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] and chairman of the Council of State of Cambodia left Vientiane by a special plane for home on the afternoon of 6 December, after ending a friendship visit and attending the celebration ceremony marking the 15th founding anniversary of Lao People's Democratic Republic [LPDR], a great historic event for the entire Lao people.

In addition to attending the official ceremony marking Laos' National Day, Comrade Heng Samrin and his delegation visited production bases in Houa Phan and Xieng Khouang Provinces and the new economic development zone at Laksao in Khamkeut District of Bolikhamsai Province. The high-level party and state delegation of the State of Cambodia was accorded warm reception by the local administration and people in those provinces. In Houa Phan Province, Comrade General Secretary Heng Samrin and his delegation visited a revolutionary base in Viangsai District and the Plain of Jars in Xieng Khouang Province, and a number of economic development zones where the Lao multiethnic people have been exerting all their efforts to heal the wounds of wars since the first day of national liberation and establishment of the LDPR 15 years ago.

Seeing off Comrade General Secretary Heng Samrin and his delegation at Wattai Airport were Comrade Phoumi Vongvichit, member of the Political Bureau of the Lao People's Revolutionary Party Central Committee and acting president of the republic; Comrade Phoun Sipaseut, vice chairman of the Council of Ministers and foreign minister; Comrade Sisavat Keobounphan, member of the party Central Committee Political Bureau, secretary of the party committee, and chairman of the Administrative Committee of Vientiane Municipality; Comrade Saman Vi-ngaket, member of the party Central Committee Political Bureau and minister of education and sports; other Lao personalities; and hundreds of Vientiane residents.

Long Kem, ambassador extraordinary and plenipotentiary of the State of Cambodia to Laos, and high-ranking officials of the Cambodian Embassy were also present at the airport.

Chairman Nouhak Closes Fifth Assembly Session

BK3012160190 Vientiane Domestic Service in Lao 1200 GMT 29 Nov 90

[Speech by Nouhak Phoumsavan, member of Lao People's Revolutionary Party Central Committee Political Bureau and chairman of Supreme People's Assembly, SPA, delivered at the closing ceremony of the fifth plenary session of the SPA in Vientiane on 29 November—recorded]

[Text] This fifth ordinary plenary session of the second Supreme People's Assembly [SPA] proceeded in an energetic atmosphere. During the session, we have worked together in a limited time. Today, the session is closed with a glorious success. In the meeting, we have unanimously endorsed seven draft laws. These draft laws serve as supplements to the legal system as already endorsed in the second and the fourth ordinary sessions of the SPA. They also serve as another step in contribution to the establishment of a legal system in our country. The legal system which has been realized in this initial step has reflected the decision of our state to switch from the way of managing the society basically through the line and policy to a way of managing the society through the (?laws). This is considered a significant change in state management work as well as in our country's political system.

Recalling the socioeconomic development in our country, we will see that our people's ways of earning a living are still based on the natural, subsistence economy under different circumstances of multiethnic people.

Social relations continue to be (?primitive). They remain limited to relations between people living in close proximity or in the same house and between those of the same nationality. When disputes arise among the people, it is [words indistinct] or village headmen who are to take action to settle the disputes. In this process of development, a number of towns have gradually emerged along with the emergence of state trading. Nevertheless, in general, the entire society has not yet been freed from the natural, subsistence economy.

After the liberation of the country, the revolution entered a period of consolidation, expansion, and perfecting of the popular democratic system. The implementation of the new line of modification as adopted by the party has brought about the development of trading in an initial stage. All relations in social life and in business production have also [words indistinct] and have become ever more complicated with each passing day. Trade relations and exchanges of goods have emerged in each locality. They have also been expanded throughout the country and to international markets. The demand for the management of society through the enforcement of laws have since then grown energetically. This has prompted our state to adopt regulations and laws to clearly define which actions are allowed and which are banned by the state. At the same time, it is necessary to have laws that clearly define what are the benefits, obligations, and responsibilities of the people and what are the measures to fine or to punish those who violate the interests of other people. This is considered a necessary demand for the state management. All laws that have been discussed and put into force since early this year, have beneficially contributed to the improvement of social relations in the daily life of the multiethnic people. They have conformed to the trend toward the production of goods as well as the trend toward the building of a new, happy life for the people.

We all wish to pursue the principles where equality among people in society and equality between women and men in the same families and the same society are maintained; everyone enjoys equality in view of the implementation of law; everyone maintains rights and freedom to earn a living and to engage in labor and gains benefits from them; those who do more and do effectively should receive more benefits while those who do less and ineffectively should receive fewer benefits; and so forth.

As of now, the aforesaid principles have served not only as general principles, but also as principles for regulations and laws, as principles that must be protected by laws. This is true under the current circumstances, because in earning a living in the society, it is required that other people's rights to ownership be respected, that violation of other people's rights be prohibited, that one must be honest and keep promises in relations with other people, that those who cause losses to others must pay compensation, that those who create disturbances in society must be punished, and so forth. The aforesaid requirements of social life have been shown and they must be protected by laws.

The emergence of the legal system has directly contributed to strengthening state management. Basically, the legal system serves as a tool used by the state to manage society in an ever more effective manner. With the legal system, the state has a tool to guarantee the firm implementation of democratic freedom and rights to mastery of the people. The laws have created favorable conditions for the state to educate and train the people to understand the laws and to be conscious to act in accordance with the laws in order to guarantee their rights to self-mastery and rights of being owners of the society. They also help all citizens to clearly understand the rights, benefits, obligations, and responsibilities of their own and of other people as stipulated in the laws.

The recognition of laws and regulations will help suppress every act of threat and violation of the people's right to mastery. The state must have legal devices to defend citizens' legimate rights and prevent anyone from threatening or violating their right to mastery. At the same time, the state must observe its own rules and encourage everyone to abide by the laws and correctly comply with the legal requirements in connection with citizens' freedom and right to mastery. The state must see to it that citizens fulfill their obligations toward the state and society. Hence, this legal system, which has now come into existence, will be useful and will significantly contribute to the strengthening of unity in terms of line of thinking and behavior of the people and enhancing national prestige and unity among the multiethnic people.

The success in promulgating the laws in the past year has manifested the great endeavors made by all organizations directly in charge of drafting the laws and those having contributed their views to the draft bills. It also bears witness to the consolidated efforts of the SPA members. The basic and long-term duty and role of the SPA deal with making laws. After the draft constitution is endorsed and promulgated, we will have to study its details and add more laws to the existing legal system. It is necessary to have laws to stipulate the contents and methods of the implementation of the democratic rights of citizens; changes in the management of economy, finance, culture, education, public health, and social relations; as well as organization and functions of state apparatuses.

In the process of socioeconomic expansion, conflicts and difficulties are unavoidable at certain points. In many cases, laws are applied with human behavior. However, there are always some loopholes in the laws and, therefore, we must amend or modify the laws. For this reason, we must focus our attention on any changes to be made to laws. We must use our careful judgment and move step by step in making and amending laws. As I said in my speech at the opening of this SPA session, we cannot act in haste. A law will be effective only if it corresponds to actual social relations. The law-making process must start from the actual conditions in the country. The objectives of the law must be specified. The level of the country's socioeconomic expansion and the people's mentality must also be considered. The legislative organizations must reserve sufficient time to study the actual conditions in the country. We cannot hastily make laws as many as we want nor can we indiscriminately copy laws of other countries. If conditions are not ripe and realities are studied, the laws we have created will lack quality and need to be amended. Moreover, they will not be practical. To make laws is only the initial step of the whole procedure.

More important is the enforcement of the laws for the improvement and renovation of existing social relations. First of all, the people must understand laws and consciously abide by them. We say that our party and state depend on the people because the people are the ones who carry out the tasks of national defense and construction. Therefore, it is necessary for the state to educate the people so that they can understand the laws it has promulgated. Our people support the state and want to live in peace and order under the country's laws. If the people understand the laws, then they will instruct or warn their friends and neighbors to avoid law infringement. Recently, the administrations of many localities were able to discover acts of law violation because they were informed by the people. For this reason, we must help the people understand the laws and consciously abide by them so as to contribute to their enforcement. Ethics is something that everyone can easily appreciate but to practice it remains a difficult problem.

Another question that has been raised is how to enable cadres to thoroughly understand and correctly enforce the laws in their hands. This is not an easy job. We have not yet discussed how to enable ordinary people nationwide to understand the major contents of laws presented to them by our cadres. This undertaking must be carried out by the administrative committees at all levels and the law-making and law enforcement bodies including the printing houses, mass media, propaganda organizations, and education offices.

The state calls on everyone to strictly comply with the law. We attach high significance to law consciousness. Once the people understand the laws, it does not mean that they will rightly abide by them. [Words indistinct], a number of backward cadres still violate laws despite the fact that they probably know more about laws than other people. But they use their legal knowledge to take advantage of loopholes. Therefore, it is necessary to enhance political consciousness, the spirit of patriotism, and love for the new regime in order to lay down the foundation for law enforcement. The important point is that we must educate the people and encourage them to abide by the law. We must try to make the people understand and comply with the law. The people look at cadres and regard them as representatives of the state. If cadres fail to strictly observe laws, the people will underestimate their significance or not observe them at all. Eventually, laws will be ineffective. Therefore, the party and state cadres must set good examples for the people.

The law enforcement cadres such as the administrative cadres, policemen, and tax officials who have to deal with the people must understand and correctly enforce laws. They must refrain from infringing on the people's rights, interest, honor, and property.

At present we have enacted the Criminal Law and the Procedures for Criminal Cases. We must rightly enforce these laws when we arrest, imprison, and try law violaters in order to avoid causing trouble to the people. It is the common duty of all state organizations and cadres at all levels to intesify the inspection of law enforcement activities. As for the SPA and the local people's councils, they must regard the inspection of law enforcement as their fundamental duty.

Prompt action must be taken to stop any infringement of the law. Laws must spare no wrongdoers and must be impartially enforced. No one is allowed to use privilege or special authority to influence court trials. We have basically acknowledged that every citizen is equal before the law. This does not mean that high-ranking cadres can escape punishment when they do wrong while low-ranking cadres and ordinary people face full punishment for the same offences. We must improve the organization and inspection of the judicial bodies such as the People's Judiciary Institution, people's courts, police force, tax office, and others. Effective prevention of lawbreaking requires the inspection of trials of cases by the state bodies concerned.

At this point I would like to emphasize some of our immediate undertakings in implementing the established legal system as follows:

1. As a regular practice, after new laws are promulgated all ministries, provinces, and Vientiane Municipality are required to inform the general public about the new laws. The ministries in charge of lawmaking, such as the Justice Ministry, must open training courses to propagate the laws among provinces and Vientiane Municipality. All provinces and Vientiane Municipality must dipatch cadres to popularize the new laws among the people. We must realize that the task of leading the people to implement all the party's policies and observe the state's laws and regulations is a most important duty.

2. Our newspapers and radio stations must find effective ways to propagage the new laws, sound out the people for their opinions, and improve their approaches so the general public can understand the laws.

3. In trying cases, the People's Judiciary Institute and people's courts must also explain the relevant laws to the people in the courtrooms. This is the most practical way of educating the people.

4. The people's councils and administrative committees of all provinces and Vientiane Municipality must pay

attention and react in a timely manner to grievances, complaints, and suggestions submitted by the people and inform them about the corrective actions taken and at the same time apply the laws correctly.

5. The SPA members from all localities must coordinate with the people's councils in their respective provinces and Vientiane Municipality to folloe and supervise law enforcement at all offices and organizations and among the people, and propose corrective measures for any act of discrepancy.

Distinguished guests and beloved comrades, since the SPA members will return to their units, offices, and localities after this session at a time when all provinces and Vientiane Municipality are making preparations for the celebration of the 15th founding anniversary of the Lao People's Democratic Republic and the opening of the congresses of the party organizations of the provinces and Vientiane Municipality in preparation for the opening of the fifth congress of the Lao People's Revolutionary Party, I propose that all SPA members take this opportunity to popularize the major contents of the new laws and the outcome of this session among cadres and people.

I wish you all good health. I hereby declare the official closure of the fifth ordinary session of the 2d SPA. Thank you. [applause]

Kaysone Phomvihan Awarded Ho Chi Minh Medal

BK0312095990 Vientiane Domestic Service in Lao 0000 GMT 3 Dec 90

[Text] On the afternoon of 1 December, Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee, chairman of the Council of Ministers of the Lao People's Democratic Republic [LPDR], was conferred with a Ho Chi Minh medal by the Vietnamese party and government in a ceremony held at the office of the Council of Ministers in Vientiane. The medal was conferred on Comrade Kaysone Phomvihan on the occasion of his forthcoming 70th birthday. The Ho Chi Minh medal is the highest distinction of the SRV. Representing the Vietnamese party and government to confer the medal on Comrade General Secretary Kaysone Phomvihan on this occasion was Comrade Vo Chi Cong, Political Bureau member of the Communist Party of Vietnam [CPV] Central Committee, chairman of the Council of State of the SRV, and head of the high-level SRV party and state delegation which is currently on a friendship visit to the LPDR to attend the celebration of the 15th founding anniversary of the LPDR.

Attending the ceremony were Comrade Nouhak Phoumsavan, Political Bureau member of the LPRP Central Committee and chairman of the Supreme People's Assembly [SPA], and Comrade Phoumi Vongvichit, Political Bureau member of the Party Central Committee and acting president of the LPDR, along with comrade members of the Political Bureau of the Party Central Committee, comrade members of the Secretariat of the Party Central Committee, and other dignitaries of the Lao party and state.

In the lofty ceremony, Comrade Vo Chi Cong delivered a speech. He said: Over the past four decades, the name, life, and enthusiastic activities full of experiences of Comrade General Secretary Kaysone Phomvihan, under many different positions, have been closely related to each stage of development of the Lao revolution, in particular since the founding of the LPRP. Comrade Kaysone Phomvihan has devoted both energy and intelligence to fulfilling many weighty tasks. Together with members of the Party Central Committee, the comrade has led the Lao people to heroically and indomitably carry out the revolutionary struggle, thereby winning complete victory in the cause of national liberation and winning many achievements in the cause of defending and building the country, thus worthily contributing to the movements of struggle for peace, national independence, and social progress. As a result, the prestige of the LPDR has been raised in the international arena.

Comrade Kaysone Phomvihan: the Vietnamese party, government, and people have highly appreciated your outstanding contribution to the Lao revolution as well as your roles in flourishing, building, and promoting the special solidarity, friendship, and all-round cooperation between the parties, governments, and people of our two countries as well as among the three countries of Laos, Cambodia, and Vietnam.

The conferring of the Ho Chi Minh medal—the distinction of national hero and beloved and respected leadership—by the Vietnamese party and people on Comrade Kaysone Phomvihan on this occasion shows the spirit of affection and respect of the Vietnamese party and people toward you, comrade. It also reflects the special solidarity and close friendship between the parties and peoples of the two countries. It manifests the sincere gratitude toward the party, state, and fraternal people of Laos for rendering the precious support and assistance to the Vietnamese cause of socialist revolution.

In his reply speech accepting the medal, Comrade General Secretary Kaysone Phomvihan expressed great pleasure and honor to receive the lofty Ho Chi Minh medal of the SRV. He said: I consider this glorious honor as the common honor of the two parties, two states, and two peoples of Laos and Vietnam. We have enjoyed this great honor, because we had President Ho Chi Minh. I would like to convey profound gratitude to the Vietnamese party, government, and people for highly assessing the contributions made by the party, state, and multiethnic people of Laos, as well as by myself, to strengthening the great friendship, special relations, militant alliance, and all-round cooperation between our two parties, two states, and two peoples.

Comrade General Secretary Kaysone Phomvihan stressed: The conferring of the lofty Ho Chi Minh medal on me today has made me feel proud and it has encouraged me, as well as all Lao and Vietnamese comrades, to determinedly continue to pursue the great cause of President Ho Chi Minh and to learn the heroic and indomitable spirit of perseverance, the profound spirit of patriotism, the pure spirit of internationalism, the clean revolutionary true nature, and the great mass practice of Uncle Ho Chi Minh. Amid this atmosphere of close solidarity and affection of fraternity and comradeship of the same family, I wish the fraternal Vietnamese people, under the leadership of the CPV with Comrade Nguyen Van Linh as head, great achievements in the cause of defending and building the country.

Earlier, on the same day, Comrade General Secretary Kaysone Phomvihan also received a call from the high-level delegation of the SRV party and state led by Comrade Vo Chi Cong. The meeting proceeded in a warm atmosphere of close friendship, comradeship, and fraternity.

Leading Cadres Awarded Meritorious Orders

BK0112065590 Vientiane Domestic Service in Lao 0000 GMT 1 Dec 90

[Text] With reference to a decree issued by the president on the commendation of 30- and 10-year achievements by leading cadres of the office of the Council of Ministers and the decree by the chairman of the Council of Ministers on conferring orders in commemoration of 5-year services to leading cadres of the office of the Council of Ministers, on the evening of 29 November the office of the party committee of the Council of Ministers held a ceremony to confer the First Class Order of Victory, the First Class Revolutionary Order of Victory, the First Class Labor Order, the anti-French Imperialist Order, the anti-U.S. Imperialist Order, and the 5-year Commemoration Order to the following three comrades:

Comrade Maisouk Saisomphoeng, minister and head of the office of the Council of Ministers;
Comrade Ma Khaikhamphithoun, former head of the committee for special activities; and
Comrade Khamsouk Sai-gnaseng, former head of the coffee and tea organization.

However, it was sad that Comrade Khamsouk Sai-gnaseng could not avail himself at the ceremony because he had already passed away.

Comrade Sisomphon Lovansai, member of the party Central Committee Political Bureau, had the honor of conferring these orders on the persons mentioned.

In the evening of 28 November, the Central Committee of the Federation of Lao Women's Unions [FLWU] also held a ceremony to confer the orders of the same levels to Comrade Mrs. Khampheng Boupha, former chairman of the FLWU. Comrade Phetsamon Lasasimma, former vice chairman and current adviser of the FLWU, was conferred with the Second Class Itsala Order. Comrade Oudom Khatthi-gna, alternate member of the party Central Committee Political Bureau and head of the party Central Committee Organization Board, had the honor of conferring the orders on the two women comrades.

The above-mentioned five leading comrades have tirelessly and unwaveringly made sacrifices and contributions to the revolutionary cause of national liberation in the past as well as the tasks of national construction for a long time without fear of obstacles, thus enabling them to command the trust and respect from all parties in our party and state leadership organizations.

Article Views 15 Years of Achievements

BK0512151590 Vientiane Domestic Service in Lao 0000 GMT 30 Nov 90

[Unattributed article: "15 Years of Defending and Building the Lao People's Democratic Republic"]

[Text] Fifteen years ago on 2 December 1975, an event of historic significance occurred in our country when the entire Lao people under the party's leadership rose up in a three-pronged strategy to establish the Lao People's Democratic Republic [LPDR], to remove the yoke of domination imposed by imperialism and outmoded feudalism, and to completely score the final victory in the national liberation struggle, thereby opening a new era of independence, freedom, and prosperity for our country.

Throughout the past 15 years of the new period of revolution—the period of consolidation, development, and upgrading democracy, our Lao people have been faced with numerous difficulties and uncompromising tests. This is because, on the one hand, the building of the new regime in our country was a new issue which lacked a model and, on the other hand, the construction of the country began from a natural and subsistence economy. Compared to the developed countries, we were extremely backward. We hardly possessed material and technical foundations. Moreover, our country was also severely ravaged by the war and, at the same time, hostile forces and bad elements were also striving relentlessly to undermine and sabotage our country in all fields, seeking all ways and means to create internal rifts among our people of all tribes and to create discord between our people and other fraternal peoples and foreign friends, hoping to weaken our people and to implement a policy of affecting peaceful change in our country.

Though encountering numerous uncompromising difficulties, with the correct and creative political policy and talented leadership of the party, with the esteemed tradition of heroism, with the unity plus the tradition of hard work of our people of all ethnic groups and strata and the public security and national defense forces of all services, and with great support and assistance from international friends, for example from Vietnam, Cambodia, the Soviet Union, and other fraternal countries, our people have managed to score important great victories in various fields in the tasks of defending and building our new regime. These victories and achievements have been displayed in actual statistics in each field as follows:

In the Political Field

Democracy and comprehensive mastership have been further enhanced and promoted with every passing day through the implementation of Resolution No. 51 of the party Central Committee Political Bureau on turning to the grass roots. As a result, the situation in all localities and grass roots throughout the country has clearly changed. The multiethnic people have closely united and taken the initative in carrying out work and livelihood. They have energetically engaged in business production, fully exercised their rights in electing their representatives to the people's councils, administrations, and mass organizations at all levels, and effectively contributed to defending and building their own country. The attitude of all cadres and party members toward the masses and their capabilities in all fields has been increasingly upgraded and enriched, thereby serving to more increasingly strengthen the relations between the party, state, and people. The LPDR Government has promulgated many new laws and is proposing the draft constitution to the public for discussions and comments. All the laws which have already been promulgated and enforced and the draft constitution have become the basis for ensuring the legitimate democratic rights of the Lao citizens of all tribes and all strata, including alien residents living in the LPDR. In addition, our state has also promulgated the law on foreign investment in the LPDR, thereby attracting more and more foreign investors to invest in Laos and contribute to building our country and improving the multiethnic people's living conditions.

Our party and state have pursued a policy of developing relations with foreign countries to create favorable conditions for our national defense and national construction and to hold aloft the influence and status of our country in the international arena. The most important occurrence in this issue is that the solidarity, special cooperation, and comprehensive cooperation between Laos, Vietnam, and Cambodia have become firmer and gained new quality in all aspects. This is a development which is aimed at ensuring the existence, growth, and development of each country and of all the three Indochinese countries and contributing to guarantee peace and stability in Southeast Asia and the world. The friendship relations and all-round cooperation between Laos and the Soviet Union have also been consolidated and strengthened along the direction of elevating effectiveness and sharing mutual benefits.

The relations between our party and state and the CCP and the PRC Governments have been restored and normalized. In the meantime, the time-honored relations of friendship between the Lao and Chinese peoples have grown stronger and closer than before. Our government delegations paid visits to Japan and France, enabling the two countries to better understand the socioeconomic situation in and the policy of restructuring of our country, thereby allowing us to acquire support and assistance from these two countries.

In addition, we have also acquired more assistance and loans from foreign countries than before. By 1989, more than 100 companies from many countries applied for permissions to invest in Laos. We have approved more than 80 of the more than 100 requests for investments totalling more than U.S. $70 million.

In the Economy:

Only a few years after the liberation of the country, our people managed to heal the wounds of war, restored production, and normalized their livelihood. Implementing the party's policy of all-round restructuring, we have abolished the bureaucratically centralized and state-financed mechanisms and switched to the business accounting mechanisms, implemented the policy of multifaceted economic structure through the system of state capitalism, extensively utilized the goods-monetary relations, broadened economic relations with foreign countries, developed production forces, reorganized social work, and transformed the natural economy into a goods-producing economy. That is why our country's economy has become more fluid and efficient. All economic sectors have been energetically developing their own worthiness. Business production has made new steps in its development. Domestic markets have been expanded and have gradually developed links with international markets. New effective models and factors have emerged in many services and localities. We can present the statistics of successes scored by some sectors as follows:

In the Agricultural Field

The acreage of crop cultivation land throughout the country has increased every year. In 1976, the cultivation acreage was 582,200 hectares. It increased to 749,600 hectares in 1984 and 794,000 in 1989. The land acreage for main rice cropping alone throughout the country in 1976 was only 521,000 hectares. It increased to 646,000 hectares in 1984 and 676,000 in 1989. The acreage of land for dry season rice cultivation increased from 2,700 hectares in 1976 to 10,000 hectares in 1989. By 1989, the total land acreage for crop cultivation increased by more than 655,000 hectares or 1.2 fold compared to 1976. Of these, the land acreage for main rice cultivation increased by more than 360,000 hectares or 1.1 fold [all figures as heard]. Thanks to our attention to carrying out intensive agriculture, increasing the level of production efficiency, and expanding the land acreage for rice cultivation, rice production has increased consistently. Each year from 1984 to 1989, the total rice production increased to 1.3 million metric tons or by two fold compared to 1976. Of these, the production of main season rice increased by two fold, upland rice by 1.9 fold, and dry season rice by 6.2 fold. As a result, the average rice production per head per year increased to 374 kg. This means that the average volume of rice per person per year increased by 145 kg compared to 1976. If supply of other starchy crops is included in these average statistics, it would increase to 383 kg per person per year.

In addition, the land acreage for crop planting, the efficiency and productivity of starchy crops and other basic industrial trees also increased. For instance, each year from 1984 to 1989, corn production stood at 34,000 metric tons—a 1.1-fold increase compared to 1976; taro and cassava at 32,000 metric tons—an twofold increase; tobacco at 16,000 metric tons—a 2.9-fold increase; and coffee at 5,800 metric tons—a 2.1-fold increase.

In the irrigation sector, in addition to repairing existing facilities, we have also built 135 more irrigation projects to irrigate 12,700 hectares of ricefields during the rainy season. These projects are not included in those built by the people themselves, which are capable of irrigating more than 45,000 hectares of rice fields during the rainy season. Two permanent reservoirs were also built to irrigate more than 2,000 hectares of ricefields. Sixty-six permanent water pumping stations powered by electricity were installed to irrigate more than 9,000 hectares of ricefields during the rainy season. These achievements have created favorable conditions for dry season rice farming which is currently carried out on 15,000 hectares of land—an increase of 5.5 fold compared to 1976.

In the livestock-raising sector, since the liberation of the country, the party and state have implemented a policy of developing livestock raising by primarily relying on the family techniques of raising domestic animals. As a result of the said policy, in the past recent years, the numbers of domestic animals anmd fowls have increased dramatically.

From 1984 to 1989, the total number of water buffalos was 931,000 heads—an increase of 1.5 fold compared to 1975; cows 544,000 heads—an increase of 1.7 fold; pigs 1.36 million heads—an increase of 1.8 fold; fowls 7.2 million heads—an increase of 1.8 fold; and goats and lambs 63,000 heads—an increase of two fold.

In the Forestry Sector

At present we possess an estimated 11 million hectares of forested land. Of these, more than 5 million hectares have already been exploited. So far, we have extracted about 1.1 million metric meters of timber and planted tree saplings on some 2,000 hectares of land. After the liberation of the country, the state has set up many factories to process wood products. For example, we have set up cane and bamboo handicraft factories and modern sawmills which are capable of processing 15,000 cubic meters [of timber], producing 2.7 sheets of plywood, 380,000 cubic meters of floor planks, and 180,000 cubic meters of logs.

The Industrial Work

After the liberation of our country, the party and state paid attention to improving old factories and building new ones. Between 1985 and 1989, the number of industrial factories increased to 295. The industrial enterprises which were given special attention were those involved with electricity generating, construction materials, timber exploitation, and light industry machinery. The production targets of those basic industrial enterprises were completely fulfilled. For example, from 1985 to 1989, the production of electricity stood at 921 million kilowatt/hours—an increase of 3.8 fold compared to 1970; of construction bricks at 1.9 million bars—an increase of 9.5 fold; of farm tools at 66,000 pieces; of corrugated iron sheets at 133,000 pieces; cigarettes at 12.3 million packs; and gypsum at 82,000 metric tons—an increase of two fold compared to 1980; salt at 8,000 metric tons—an increase of 1.8 fold; detergent at 1,500 metric tons—an increase of 11 fold; medicine at 66 million tablets—an increase of 9.5 fold; and pottery at 81,000 pieces—an increase of five fold.

Since the liberation of the country, many important, new industrial plants have been built, such as machine repair shops; animal feed mills; the (Grenger) cement factory; an iron scrap casting factory; a gypsum mining enterprise; a rock-grinding enterprise; a prefabricated electric pole factory; farm tool factories; brick factories; Forestry Enterprises Nos. 1, 2, 3, 5, 7, 8, 9; Pharmaceutical Factory No. 104; and an educational equipment producing factory. These factories—old and new—have been consolidated and expanded, and are now operating at a normal pace.

Expansion of the Trade Network

In the past 15 years, the trading system has been consolidated and expanded throughout the country—from the center down to all localities. For example, the goods circulation networks of the state, collective enterprises, and trading cooperatives and the people's credit cooperatives have been set up and gradually expanded. As of today, there are 66 state trading companies—a (?1.7)-fold increase compared to 1981; 417 state-operated hotels and restaurants—a 2.4 fold increase compared to 1981; 1,274 collective shops, trading cooperatives, and people's credit cooperatives; 1,688 state trading shops—a 2.8 fold increase compared to 1981. On the average, each trading shop can serve 2,073 people. The volume, kinds, and values of goods we have purchased from the people are also increasing every year. The purchasing of all kinds of goods from 1985 to 1989, when compared with those in 1976 and 1981, increased 4.5 and 1.6 fold respectively. [as heard]

As for imports, 31 percent of imported goods are raw materials and 69 percent are production equipment and machines. From 1985 to 1989, the volume of goods we exported increased 4.8 fold and 2.4 fold compared respectively to 1978 and 1981.

Communications and Transport Work

Communications and transport work has been improved and expanded throughout the country, be they air, surface, or waterway services, thus primarily ensuring the transportation of goods from the center down to all localities. Each year in the past 15 years, some 517 km of national highways outside of Vientiane municipality have been built and repaired and some 370 km of inter-rural roads repaired. More and more transport routes have gradually been built. The total length of our transport routes throughout the country was more than 11,000 km in 1975 and increased to 12,000 km in 1989. We have also built more than 300 bridges with the total length of more than 12,000 meters, including 12 large bridges with the total length of 1,000 meters. Of special importantce are the Nam Ngum and Nam Kading bridges. The old regime had no capability to build these two bridges. However, with assistance from the Soviet Union, we have already completed the construction of the two bridges.

With regard to our waterway transportation, we have improved and repaired boat transport routes and services along the Mekong River from the north to the south by improving ferry passages at some rapids for better navigation of passenger and cargo crafts. We have built a new ferry landing at Keng Kabao and improved the existing one in Vientiane, and constructed a boat-building facility at Tha Naleng to facilitate the Tha Naleng-Nong Khai River crossing transport services acosss the Mekong River.

In the postal and telecommunications work, fundamental changes have also been effected to better serve the country in the political, national defense, public security maintenance, economic, and cultural fields. Technical and material foundations of this work have been consolidated and upgraded.

Cultural and Social Work and Work on Cultural, Educational, and Public Health Development

In carrying out the process of building the new regime in our country, we have paid attention not only to building new production relations and production forces but also to developing culture, education, and public health with a view to making them more nationalistic in appearance so that the quality of our multiethnic people can be upgraded in all fields—political, cultural, scientific, technological, vocational, and hygienic. Before the country was liberated, 95 percent of the Lao population was illiterate. However, by 1984 illiteracy was basically eradicated from our country. That is one great unprecedented victory recorded in the history of Laos. The system of formal education has been extensively developed throughout the country ranging from elementary, secondary, senior high, and university levels. In addition, scores of polytechnic and vocational schools and schools of other specialzed subjects have also been set up. At present, more than 495,000 pupils have enrolled in elementary schools. On the average, one of every seven Lao citizens has at least one child attending school at the elementary level. In 1945, there was only one elementary school for the whole country. Compared to 1976, the number of elementary school students has increased by 178,000, secondary school students by 42,000, and senior high school students by 17,000. The number of kindergarten schools has increased to 369 with the enrollment of more than 16,000 pupils while the number of kindergarten school teachers has increased by 548. The number of vocational and university students has increased by 14,000 and the number of teachers by 300. The contingent of intellectuals is also growing larger and larger and is making more contributions to all spheres of work of our country in the new period.

We have paid attention to creating new culture with nationalistic characteristics which are displayed in the forms of songs, music, poems, verses, drama, folk songs, paintings, wood carvings, and films.

All these forms of the new culture clearly reflect our nationalistic characteristics as set forth in our party and state's policy.

The actual fruits of this cultural work are as follows:

In the past 14 years, 20 professional art troupes have been organized, 38 movie theaters set up, 160 mobile film projection teams organized, and 21 libraries set up to serve the masses.

Public health work has also been vigorously expanded. Four hundred sixty-six more hospitals and health stations have been set up—four at the provincial level, 15 at the district level, and 447 at the canton level. The number of medical personnel has increased by 4,370—2,190 of primary level, 1,717 of intermediate level, and 461 of advanced level. [figures as heard] Health treatment has been administered with both modern and traditional medicine. In 1976, there were 406 hospitals and health stations with 6,170 beds. At present, there are 830 hospitals at various levels with 8,970 beds—an increase of more than 50 percent.

National Defense and Public Security Maintenance Work

In the past 15 years, the enemies have pursued a dark policy of actively opposing our people. Foreign ultrarightist reactionaries have given support, training, and assistance to exiled Lao reactionaries taking refuge in their territories to smuggle them into Laos to openly subvert and sabotage the Lao revolution through various means. They have also been pursuing a cunning policy of subverting our revolution from the inside. They have carried out a series of provocative acts against our border areas and have seized part of our border territory to be used as the springboards for the exiled Lao reactionaries to carry out activities to undermine our revolution by creating disturbances among the people; carrying out propaganda campaigns to create rifts between the lower and higher levels, among our cadres, between cadres and combatants, between combatants and policemen or among our cadres, combatants, and people, between the urban areas and the countryside, among the people of various ethnic groups, in Laos, Vietnam, Cambodia, the Soviet Union, and other fraternal countries; and carrying out psychological warfare to buy off our people by relying on special characteristics of each ethnic group.

Nonetheless, in the past 15 years we have continued to incessantly consolidate and strenghten our forces, thus making our national defense and public security maintenance forces more powerful. They have rapidly increased their strength—both quantitatively and qualitatively—with every passing day. At the same time, we have also increased a number of combat units and kept enhancing the capabilities of our armed forces in carrying out national defense and public security maintenance work and in turning it to the grass roots with a view to making it the responsibility of the masses. Our national defense and public security maintenance forces have been gradually transformed into relatively modern forces. Most officers and conscripts have been trained in the primary, intermediate, and advanced specialized military training schools. Conscripts have been more intensively provided with strategic and tactical training than before. As a result, our armed forces are now capable of halting any hostile activities and acts of rebellion. We have dismantled commando nests of the enemy's commando bands and underground reactionary elements in many areas, wiped out and forced enemy remnants to surrender, and liberated hundreds of innocent people from the enemy's control. Security among the multiethnic people is gradually improving.

We have repeatedly meted out suitable punishment against hostile forces launching nibbling attacks against our border areas in many regions, such as at the three Lao villages of Ban Mai, Ban Kang, and Ban Savang, and in Boten District of Sayaboury Province, thereby securely defending our territory and creating favorable conditions for building the new regime in our country, and contributing to the defense of peace and stability in Southeast Asia and the world.

All the above statistics of the achievements of our people show that in the past 15 years we have won numerous great and important victories, securely defending our country. At present, our country remains relatively peaceful. Order has been securely maintained throughout our society and our people are confident and feel secure in building the economy, developing culture, and improving their living conditions step by step along the party's line of restructuring.

Philippines

Entire Armed Forces Placed on Alert 'Again'

HK0612123790 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 6 Dec 90

[Text] The military leadership has again placed the entire Armed Forces of the Philippines on alert. According to armed forces Acting Chief of Staff Major General Rodolfo Biazon, the step was in response to the tense situation in the country as a result of the sudden increase in oil prices. Defense Secretary Fidel Ramos supported Biazon's announcement. According to the secretary, rebel forces could possibly take advantage of the said tense situation. Because of this, the NCRDC [National Capital Region Defense Command] has deployed forces to vital installations including oil depots in Metro Manila.

Salonga Favors One-Year Extension for Subic

HK0112055590 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 1 Dec 90

[Text] Senate President Jovito Salonga and some other senators are in favor of retaining Subic Naval Base in the country after the bases agreement expires next year. This was disclosed by Senator Wigberto Tanada who explained that Senator Salonga's position was in accordance with the (Ramos-Rusk) agreement which provides for one more year's extension of the bases in the country. He added that this could also be the stand of some other senators. Tanada mentioned that the proposal for a five- to seven-year extension of Subic Naval Base could encounter dificulty in getting approval from the Senate.

One-on-One Bases Talks Scheduled for 4 Dec

HK0312104590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Dec 90

[By Rey Arquiza, DZRH Unit 21]

[Text] Foreign Affairs Secretary Raul Manglapus and U.S. special negotiator Richard Armitage are scheduled to hold a one-on-one talk tomorrow before Wednesday's full panel discussion regarding the draft treaty for the future of the U.S. bases in the country. The Philippines and the U.S. panels will discuss all the issues relating to the U.S. bases, particularly the compensation package or rent for the U.S. bases. Earlier, Manglapus stated the best effort-pledge by the U.S. will no longer be acceptable to the Philippines. The two panels should agree on issues scheduled for discussion on Wednesday to pave the way for a new treaty regarding the U.S. bases in the country before the end of January 1991. Diplomatic observers believe there will be heated talks on the compensation package issue because the Philippines will insist on the inclusion of the rental issue in the treaty and will no longer accept the best effort-pledge. Manglapus stated that the U.S. does not usually adhere to its best effort-pledge and it ignores almost all the things that were agreed upon. Armitage is due to arrive in Manila tomorrow to face the last series of talks about the U.S. bases in the country.

U.S. Stand 'Likely To Cause an Impasse'

HK0412042390 Manila THE MANILA CHRONICLE in English 4 Dec 90 p 1

[By Lito Zulueta and Mary Rose Feliciano]

[Excerpt] Insistence by the Americans that they be allowed unhampered access to their military facilities despite the Philippines' "sovereign control" over them is likely to cause an impasse in the bases talks set to resume tomorrow.

A Malacanang official, who took part in the technical talks on the bases last week, said that U.S. panel members had insisted that the "status quo" be maintained.

In effect, the Malacanang official, who asked not to be named, said the Americans want to rehash the current military bases agreement that grants the U.S. unlimited access to the facilities. "At the monment, we have not seen a dramatic change in their position. They want more of the same," the official said. "They want the easy way out."

The source said that the Philippines wants a "qualitative and quantitative change" in any new arrangement on the bases "because conditions prevailing now are different." He said that the U.S. request for unhampered use of the facilities is "non-negotiable" to the Philippines "because things have changed."

The official also said the Philippine panel had slightly changed its position on the matter of taking "sovereign control over all of the military installations, including Subic and Clark." He said the panel would now insist on taking ownership of the facilities to pave the way for a "strict owner-tenant arrangement."

He said that while the U.S. is insisting on a 10- to 12-year transition period for the bases, the Philippines will maintain a five- to seven-year phaseout. He said that even if the landlord-tenant relationship and the phaseout period were adopted, the Philippines would dictate the arrangement.

Today's third round of the bases negotiations would center on the compensation package, U.S. access to the Subic Naval Base, the commercial arrangements for Clark Air Base and non-security issues.

Sources said the first two days of meeting between members of the U.S. and the Philippine technical committees were rough-sailing over the issue of "access." The meetings between the two committees began last Thursday and are still going on at presstime. [passage omitted]

Bases Talks Close; Next Round Set for 1991

HK0612075490 Quezon City Radyo Ng Bayan in Tagalog 0630 GMT 6 Dec 90

[By Ana Soriano from Malacanang]

[Text] Health Secretary Alfredo Bengzon, vice-chairman of the Philippine bases negotiating panel, has given the assurance that the fourth round of bases talks would be held next year. Bengzon said that the compensation which the U.S. should pay the Philippines while their military bases are still here would be discussed in the next bases talks. Bengzon released this announcement in connection with the closing of the four-day third round of bases talks. He said that at present, two subcommittees were studying the status of forces issue and topics relating to the continued stay of the military bases after September 1991. According to Bengzon, Ambassador Raul Rabe, head of the Office of American Affairs of the Department of Foreign Affairs, was heading the subcommittee studying the status of forces issue. This group will discuss criminal jurisdiction, customs, taxation, postal system, and currency rules.

Meanwhile, in the subcommittee headed by Defense Undersecretary Feliciano Gasis, details on the retention of the bases after 1991 are to be discussed. This will include the length of stay of the military bases while they are dismantled little by little. Bengzon announced that later today they would meet with former U.S. Defense Undersecretary Richard Armitage, spokesman of the U.S. bases negotiating panel, once the two leaders of the two subcommittees have turned in their reports.

Survey Shows Preference for Bases Retention

HK0112055990 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 1 Dec 90

[Text] The majority of the population favors the retention of the bases in the country in this time of uncertainity. This was the result of a public opinion survey conducted by the Ateneo de Manila University last May. From a total of 1,200 respondents, 41% were in favor of an indefinite stay for the military bases.

Mission Prepares To Leave for Saudi Arabia

HK0412100790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 4 Dec 90

[Text] One-hundred and fifty volunteer medical workers may leave for Saudi Arabia next week as part of the medical mission which the Philippines promised to help the multinational force in the Middle East. According to the Department of Health, the group includes doctors, nurses, dentists, midwives, medical technologists, and other professionals in the medical field. The department's official clarified that the Philippines can only send the medical mission and not a military force.

European Parliament Grants Financial Aid

HK0312121990 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 3 Dec 90

[Text] The European Parliament has approved a resolution granting P [Philippine peso] 788 million as financial aid to the Philippines. This was reported by Philippine Ambassador to Belgium Roberto Romulo to President Corazon Aquino. According to Romulo, the aid is aimed at easing the country's problems brought about by the 16 July killer quake and the Middle East crisis. Romulo added that the government is expecting an additional financial aid from Belgium for the victims of Typhoon Ruping. Earlier, the European Commission pledged $4.25 million for the evacuation of the more than 9,000 Filipinos from Amman, Jordan.

Aquino Passes Christmas, New Year's Cease-Fire

HK0412123790 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 4 Dec 90

[Text] The military will enforce a 48-hour cease-fire on Christmas and New Year's Day. This following approval by President Corazon Aquino of Secretary Fidel Ramos' recommendation. However, the communist rebels should allegedly issue their position regarding the cease-fire. At the same time, Armed Forces Acting Chief of Staff Rodolfo Biazon said the government must ensure that the other party is sincere about the expanded cease-fire before it can be enforced.

Aquino: No Group Can Wrest Government Control

HK0612071190 Quezon City Radyo Ng Bayan in Tagalog 0120 GMT 6 Dec 90

[Speech by President Corazon C. Aquino at the ninth East Asian Stock Exchanges conference held at the Manila Hotel's Fiesta Pavilion—live; in English]

[Excerpts] Chairperson Rosario Lopez, Mr. Eduardo Lim, Miss Rosalind Sagada, Mr. Oscar Lopez-Lee, Mr. Myron Papa, Mr. Robert Felito, your excellencies of the diplomatic corps, participants of the ninth East Asian Stock Exchanges Conference, distinguished members of the Senate, honored guests, ladies and gentlemen:

On behalf of the Philippine people, I welcome you all and I congratulate you for this conference. I recall addressing some of you at that time when our economy was rising fast, and I asked you not to empty the well from which you deserve a good rise to success. I reminded you that public confidence, then just restored, must never be squandered. I commend our keen local exchanges for keeping that confidence alive, even in these days of the bears. Such public confidence can perhaps be made even stronger and market conditions more attractive if you would unify into one exchange.

If this is the case, I suggest that you do it quickly. As we all know, the appropriate time to consolidate is when the conditions are not ideal. In this way when the environment [word indistinct] and I have no doubt that it will, you will be better prepared to avail of the opportunity.

Today, there is apprehension over the Gulf crisis. Perhaps the Philippines has reason to be more apprehensive than her neighbors, for nature has devastated much of my country and coup attempts have tried to shake investor confidence in us. Nevertheless, we are a resilient people and we will keep going. We will keep on farming our fields, running our factories, strengthening our markets, and keeping our faith in ourselves. As we approach the end of 1990, the review and streamlining of our fiscal investment policies remain high on our government agenda, along with serious efforts to increase the government capacity to implement them. We realize, however, that we can not just react to problems and situations. We should (seize) the initiative and set the pace for growth despite our troubles. We must not allow adverse developments to dampen our spirits or make at haste, extremely defensive courses of action. We should instead find opportunities in each crisis.

The recent round, in fact yesterday, of oil price increases for example, means an increased inward flow of foreign exchange for oil producing countries. OPEC members will have more dollars to invest. It is incumbent upon us in the Pacific rim to convince them on the investment potentials of our region. This is one objective which highlights the importance of regional capital market such as the one you are attempting to build.

The strategic role that capital market should play is that of matching investors in search of investments with entrepreneurs and enterprises looking for investors. This function should enable you from the Asian bourses to participate in the rise of OPEC investables and take advantage of the need to look for dollar outlet. The infusion of petro-dollars into our regional economy must therefore be a primary objective of your campaign for the regional market. [passage omitted] Prospective investors considering my country occasionally raise concern over stability. To this I say that what they should look into is our record in dealing with crisis upon crisis that confronted us. Recent history will clearly show that we prevailed and successfully crushed all the threats to our country's peace without sacrificing our newly restored democratic institutions.

I must stress that there is no existing group in my country today that can cripple business activity, let alone wrest government control. Save for sporadic terrorist activities that visit even the most advanced countries in the world, it has always been business as usual in the Philippines.

The preoccupation with perceptions of political instability is as much [word indistinct] of some ill-informed or ill-motivated mind as media play. For example, media has rarely focused on the good news, especially good news in government or in business. The Philippines is embarking on an investment reform package. It has done so in cooperation with business groups such as the United States Chamber of Commerce and the U.S.-Philippine Business Committee. The thrust of the present initiative is to liberalize investment laws. We believe this would enable us to integrate well into the world markets and fire up our own economy as many of our Asian neighbors have shown.

We are likewise accelerating the pace of privatization of government-owned industries. [sentence indistinct] We in Asia must now exercise the fullest creativity and innovativeness to exploit existing opportunities. The regional initiative, that is the East Asian Stock Exchanges Conference, indicates your readiness to do just that. I hope many more such efforts are forthcoming.

Global events that face us today do not discriminate on the basis of nationality. Nations should work together to attain shared goals. I urge you to transcend national borders to regional cooperation, to help all of us withstand the destrucive impact of any global crisis and to take advantage of regional economic opportunities.

I salute your efforts to get together and open wider avenues for more efficient and more effective complementation of our stock exchanges. May you continue to succeed. Good wishes to all of you.

Senator Maceda: Laurel Can Run Country Better

HK0512053890 Quezon City Radyo Ng Bayan in Tagalog 0400 GMT 5 Dec 90

[Text] Senator Ernesto Maceda said Vice President Salvador Laurel could run the country better than President Aquino. This was Maceda's assessment regarding the crisis the country is now experiencing. According to a report by John Susi of Patrol 2, Senator Maceda stressed the president has run out of ideas and she is already tired as a result of the many problems her administration has been facing. It is recalled that Senator Maceda recently sought the resignation of President Aquino. Maceda explained there is still time for the president to show the people she can still do something good for them before her term ends.

Candidates Vie for Military Chief of Staff Post

HK0112055790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 1 Dec 90

[Text] President Aquino may have a difficult time in choosing, from six candidates, a successor to fill the post to be vacated by General Renato de Villa upon his retirement this month as Armed Forces of the Philippines [AFP] chief of staff.

A prospective substitute said that he has already had talks with President Aquino who asked him for names of other candidates, other than himself, who could possibly succeed De Villa as AFP chief.

De Villa will finish his three-year term on 23 January but a close aide has disclosed that he may take leave after AFP Day on 21 December. Among those due to retire from the AFP are Vice Chief of Staff Major General Rodolfo Biazon, Air Force Chief Major General Gerardo Protacio and Southern Command Chief Major General Manuel Dizon.

The president has allegedly held talks with AFP Deputy Chief of Staff Major General Alexander Aguirre, Army Chief Major General Guillermo Flores, PC-INP [Philippine Constabulary-Integrated National Police] Chief Major Cesar Nazareno, Navy Chief Rear Admiral Mariano Dumancas, Jr., Biazon, and Protacio.

Cabinet, Congress Reach Tax Compromise

HK0512040390 Manila THE MANILA CHRONICLE in English 5 Dec 90 p 1

[By Arleen Chipongian]

[Text] The Executive and Congress have reconciled the last major differences regarding the revenue measures being demanded by foreign creditors as a condition to further loans, Finance Secretary Jesus Estanislao announced yesterday.

Estanislao said they were now finalizing a compromise that would pave the way for the imposition of a 7% across-the-board duty on all imports. It will replace the 5% proposed by Malacanang and opposed by Congress on crude oil imports and another 5% on all imports, crude oil still included.

The compromise was reached in a meeting yesterday between Cabinet officials and congressional leaders, who proposed the compromise, he said. He said the legislators had opposed the first plan because it ultimately would lead to higher prices of oil products at the pumps.

Still, however, Estanislao said, another round of oil price increases is necessary because the national government could no longer absorb the P [Philippines peso] 2.5-billion monthly revenue losses going to oil subsidy, a scheme adopted for years to minimize increases in those prices.

The Executive and Legislative representatives also recognized that the government needed to adopt measures to reduce the budgetary deficit of the public sector, which, if it remained unchecked, could go up to P90 billion by the end of next year.

"Painful decisions must be taken," he said. "We must do the necessary homework."

Earlier, he had said that the Executive had received a congressional promise to support a program to raise revenues by P30 billion. At the same time, expenditures, he had said, were to be cut by P25 billion next year.

Regulatory Board Announces New Oil Prices

HK0512104290 Quezon City Radyo Ng Bayan in Tagalog 1000 GMT 5 Dec 90

[Text] The Energy Regulatory Board [ERB] announced today a new increase in the prices of oil to take effect at 1800 tonight. Premium gas increased to 15.95 pesos from the previous price of 8.87 pesos per liter. Regular gasoline has increased to 15.00 pesos from 8.50 pesos per liter. Diesel has gone up to 9.35 pesos from 6.24 pesos per liter.

Aquino Comments on Second Oil Price Hike

HK0612111790 Manila Radio Veritas in Tagalog 0900 GMT 6 Dec 90

[By Gabby Salcedo from Malacanang]

[Text] President Aquino today challenged congress to undertake measures to increase revenue by means of additional taxes on the more affluent sector of society or the sector of society which can afford to pay higher taxes. The president made this challenge and at the same time gave the assurance that the government would do its best to try and maintain the prices of prime commodities. In relation to the latest increase in the prices of crude oil, which the ERB [Energy Regulatory Board] announced, President Aquino has given a reaction through her press secretary, Tomas Gomez III, in which she expressed joy over the ERB's immediate response to her request for a change, or lowering of prices for diesel, kerosene, and lpg [liquefied petroleum gas]. Let us listen to President Aquino's entire pronouncement on the issue relating to the latest crude oil price increases through Press Secretary Tomas Gomez III.

[Begin Gomez recording in English] There are only two ways that an oil importing country can react to increasing world oil prices. The price can be set at a level on par with the world oil price or the government can subsidize prices lower than the world market price. As long as Congress is unwilling to raise revenue by increased taxes on the richer sector of society that can afford them, only one alternative is left to us: a higher pump price. We are nearer now to a realistic fuel pump price with the recent increases and we hope that world petroleum prices will not increase [word indistinct]. The increase in transport cost is being studied by members of the cabinet. The regional tripartite wage body will decide on the extent of wage increases that may be needed. At the same time, the government will try to hold the costs and prices of prime commodities in order that the poorer sectors of our society are not made to bear still more additional burden. It is our hope, that the new prices will spur us to further energy conservation while at the same time producing the dollars that we need to keep supply flowing.

The president welcomed the immediate response of ERB to her urgent plea that price increases be moderated with reference to diesel, kerosene and lpg. She took careful note of the socialized approach taken by ERB in arriving at the new schedule. This indeed reflects a sharing between the affluent, who can better afford the burden, and the poor, who can least afford it. The president renewed her appeal for more conservation measures to be adopted as a way of life to achieve betterment and progress. [end recording]

President Aquino through Press Secretary Tomas Gomez III.

Senators React to Second Oil Price Increase

HK0612112590 Quezon City Radyo Ng Bayan in Tagalog 1000 GMT 6 Dec 90

[By Cesar Chavez from the Senate; italicized portions in Tagalog]

[Text] This government is full of evils, this was Senator Orlando Mercado's reaction to the increase in oil prices which President Aquino pretended to know nothing about. In his privilege speech, Senator Mercado began what seemed to be something similiar to an exploding Mayon Volcano inside the Senate.

[Begin Mercado recording in progress—in English]...the Estanislao, Cuisia, IMF program, which they unveiled before us, includes such measures as this five percent across the board import (duty) plus another five percent levy on oil [word indistinct] or imports of oil or to be done by way of [passage indistinct] tax for which authority is being asked from congress to give the president of the Philippines [word indistinct]. *After a punishment of 15.95 pesos per liter of gasoline, taxes are still to be levied on broken-down roads and collapsible bridges. What big crime have the Philippine people done to merit such punishment from a government that is unable to help and instead makes life miserable and to top it all off does not seem to have any sympathy for our people?* [end recording]

While Senators Mercado and Romulo asked for a cease on payments of foreign loans ,which is responsible for consuming more than 40 percent of the national budget, former presidential spokesman Rene Saguisag, on the other hand asked for a rollback of all petroleum products to their previous 4 December prices. Saguisag criticized the ERB [Energy Regulatory Board], which is under the president's jurisdiction, for violating the procedural requirement on outlining the decision for the fuel oil price increase. The Senate will investigate and call on Malacanang and ERB officials.

Meanwhile Senator Santanina Rasul, chairperson of the Senate Committee on Civil Service, is calling for the immediate ratification of a 10 million peso increase in government workers' salaries. In related developments, Senator Enrile made the following pronouncements during his privilege speech:

[Begin Enrile recording in English] And this is the worst part of this whole affair, Mr. President, is that President Aquino and her subalterns are obviously trying to fool the people by making it appear that she and her cabinet members, who met yesterday in Malacanang, had nothing to do with the decision of the Energy Regulatory Board. She is quoted as having said that she did not know about this decision. To quote her, and I saw her on television last night, "hindi ko alam" ["I did not know"]. *If she did not know, then what does she know about things taking place in the country?* [end recording]

Senate Labor Committee Chairman Senator Ernesto Herrera has called on the regional wage board to use their powers to increase workers wages in the private sector. It is expected that military and police authorities will be more vigilant in anticipation of mass protests in opposition of the new oil price increase.

Senator Maceda and Enrile said that any protest strike is justified and that is why they will support any opposition the citizenry undertakes.

Further Changes in Constabulary-Police Commands

HK0512035190 Manila PHILIPPINES NEWSDAY in English 5 Dec 90 p 3

[Text] Major General Cesar P. Nazareno, Constabulary chief and PC-INP [Philippine Constabulary-Integrated National Police] director general, yesterday announced another round of changes in various PC-INP commands with the designation of a new commander of the Narcotics Command [Narcom] and two provincial commanders.

Nazareno designated Colonel Job Mayo Jr., formerly PC-INP personnel chief, as new commanding officer of Narcom. Mayo replaced Brigadier General Virgilio David who retired from the military service.

The other designations included Lieutenant Colonel Harry Lorenzo as new group commander of the PC-INP civil relations and information group, vice Colonel Juan Victor Laurilla who was reassigned to Recom [Regional Command] 12; and Lieutenant Colonel Romeo Acop, former Agusan del Norte commander, as new secretary Constabulary staff, vice Lorenzo.

Nazareno also designated Lieutenant Colonel Rogelio Monforte, formerly with the PC-INP support command in Camp Crame, as new provincial commander of Masbate. He replaced Lieutenant Colonel Antero Javier who was recalled to Recom 5 headquarters in Legaspi City.

Named, new provincial commander of Northern Samar was Lieutenant Colonel Perfecto Bonjoc, Recom 8 personnel chief, vice Lieutenant Colonel Enrique Atanacio who was reassigned to Recom 8 headquarters in Tacloban City.

Lieutenant Colonel Cris L. Maralit, PC-INP spokesman, said the latest round of changes is part of the continuing organizational movement to maintain the administrative and operational effectiveness of the command.

He also said that the PC-INP high command in Camp Crame is assessing the 1990 accomplishments and performances of the different regional, provincial and field unit commanders.

Those who will fail to make the standard set by the command, will be replaced, Maralit said.

5 Communist Districts Dismantled in Region IX

HK0312072790 Quezon City Radyo Ng Bayan in Tagalog 0605 GMT 3 Dec 90

[By Jim Bilasano from Camp Crame]

[Text] Here is a report by Jim Bilasano from Camp Crame regarding the dismantling of five CPP-NPA [Communist Party of the Philippines-New People's Army] districts in Region IX.

[Begin Bilasano recording, in progress] ...armed forces of the NPA in Region IX. This was announced by Brigadier General Roger (Deinla), Recom [Regional Command] IX PC-INP [Philippine Constabulary-Integrated National Police] commander in his report to PC-INP chief, Major General Cesar Nazareno, after a recent meeting.

According to the report, five of the communist district party committees were placed under an agreement by high-ranking party leaders for eventual dismantling due to the widespread resignations of its members. General Deinla said that the CPP-NPA seemed to be facing difficulties in recruiting members because people already knew what their true motives were. It was also learned from the report that the communist movement, especially in Metro Manila, was undertaking projects to hide the true shortcomings of the movement. General Deinla also stressed that among the CPP-NPA objectives was to gain media attention which could be used in their propaganda.

In relation to this, PC-INP spokesman Lieutenant Colonel Cris Maralit said that the purpose of the terrorism sown by the CPP-NPA was to gain the attention of the United States in relation to the country's political problems.

Seventeen NPA Rebels Surrender in Palawan

HK0512071590 Quezon City Radyo Ng Bayan in Tagalog 0600 GMT 5 Dec 90

[Text] Seventeen of the 50 NPA [New People's Army] rebels who raided an island in Palawan last 17 November have surrendered to the military. Brigadier General Braulio Balbas, chief of the Western Command, reported that the rebels, led by a certain Ka [Comrade] Walter, surrendered after negotiations. It will be recalled that the rebels occupied the barangay hall of Concepcion on the island of Aguyata and held hostage residents of the said town, at the same time killing five fishermen.

In related developments, the military is continuing its search for the remaining NPA rebels who occupied barangay Concepcion in Palawan. Here is Josette Olivera with the details:

[Begin recording] [passage indistinct] arrived today at Camp Aguinaldo, and Western Command chief Brigadier General Braulio Balbas met with local officials of the said barangay. Among them were (Agutayao) vice mayor Wilfredo Dacuan and [word indistinct] Laureano Maad. They [word indistinct] problems of the said barangay such as (progressive factors) [passage indistinct] being conducted by the said group such as illegal drug trafficking and [word indistinct] of stolen firearms from Cebu and also the use of dynamite for fishing. Barangay officials have asked for the deployment of PC-INP (Philippine Constabulary-Integrated National Police] members in the said area to guard the residents being threatened by the leftists. [passage indistinct] [end recording]

Charges Filed Against Two NPA Officials

HK0512104490 Quezon City Radyo Ng Bayan in Tagalog 1000 GMT 5 Dec 90

[Report by Josette Olivera from Camp Aguinaldo]

[Text] Two sentenced leaders of leftist groups were identified as George (Magnos) and Valeriano Alvarando, both secretaries of the northeast Mindanao and southern Mindanao regional party committees. Magnos and Alvarando were captured in Quezon City under a dragnet by operatives of army intelligence last July 1988. Before the arrest of the two leaders, Philippine Army Chief Major General Guillermo Flores said that (Magnos) and Alvarando were among the most-wanted CPP [Communist Party of the Philippines] leaders in Mindanao.

Thailand

Military Establishment's Attitude, Role Viewed

BK0612015790 Bangkok THE NATION in English 6 Dec 90 p A8

[By Phana Chanwirot]

[Text] Having defeated the Communist Party of Thailand, and befriended the governments of Laos, Burma and the Cambodian factions, the Thai military establishment now feels the biggest threat to national security—and its well-being—comes from unscrupulous politicians in high government offices.

From the top to the bottom ranks, military officers feel that the new threat is very real, especially when elected politicans have little compunction about interfering in routing government administration affairs. The question is what to do to these unscrupulous politicians, and how to do it without hurting democracy and alienating the people.

The military officers, however, seem to be clear on one thing: the era of democracy is here to stay, but the quality of politicans must be improved.

For two days last week, a group of select civilian academics and journalists met with high-ranking officers from the three military branches in a seminar to discuss "Relationship problems between the military and the people". Organized by the Supreme Command Air Chief Marshal (ACM) Woranat Aphichari, this was the first seminar of its kind. ACM Woranat promised to invite more civilian participants in future seminars of this kind and hold them in some neutral ground rather than in a military headquarters.

Participants included Gen Thamniap Thapmani, Gen Siri Thiwaphan, Lt Gen Somchai Ramphaikun, Lt Gen Chatchaloem Lekhawanitthamphithak, Maj Gen Thawichat Chawakun, Dr Krachang Phantumanawin and other academics and representatives of the press. Politicians invited to the seminar failed to show up.

The seminar was first conceived by Gen Chawalit Yongchaiyut, when he was still Army chief and supreme commander, to improve understanding between the military and the civilian.

One senior officer from the Internal Security Command noted that the military's system of rigid hierarchy where the lines of command are precise and unquestioned would always be different from the more decentralized and flexible civilian organizations. This should be understood at the outset, he said.

One general stressed that the role of the military was very clear: to defend the country, maintain internal peace, defend the nation, religion, and the monarchy, and help in development work to eradicate poverty and promote greater equality.

"But we look around us and see the power of the permanent secretaries (of ministries) in appointments of officials. The traditional line of command has been broken. This is unacceptable to us," he said. "Politics (politicians) should not interfere," he emphasized with a tone of dejection.

One academic was quite sympathetic. He said politicians and soldiers talk in different languages. Soldiers may feel they have to keep their promises and defend their dignity. Politicains do not operate under the same principles. They are prepared to twist their words and even to make other people "lose face". All politicians care about is winning votes and retaining powerful posts, he said.

He noted that politicians are now "indulging in" the power of their elected offices. They tend to challenge other powers and pressure groups with the help of submissive civil servants and arrogant mafia bosses. So it is natural for them to confront the military establishment, which now is the only power group left unchallenged.

The situation is now more complicated as the younger generations, especially those politicians with higher education, tend to want to see the military stay out of national politics, like the military in the US and the UK.

But the Thai military is not ready to step aside and its main reason is that the quality of elected politicians is not yet good enough. "But should the people be blamed," the academic asked. The academic compared the current conflict between the military and the administration to the nuclear standoff during the Cold War in Europe in which the US and the USSR were deterred from starting a war by "MAD," or mutually assured destruction, in which both sides would be destroyed if their conflict got out of hand.

He went on to say that the country would lose if either side won, or both sides lost, in the current confrontation between the administration and the military. But military officers see the confrontation as a destructive interference in the military establishment and thereby of the nation by the politicians in power.

One officer said in private that the political interference has hurt the foundation of military unity which is the main driving force in motivating soldiers and officers to do their duties and win battles to defend the nation.

He confided that the political threat that the military was very concerned [about] came in the politicians' ploys to discredit military leaders personally.

Another academic blamed the press for exaggerating the confrontation by stirring up tensions and picking old wounds. But members of the press in the seminar clarified that the press only printed what politicians and military leaders said. If there were no real confrontation, there would be no news about it in newspapers.

It is an open secret that top military leaders have sent aides to talk to politicians about political questions while politicians have often visited homes of top military leaders to seek support. Gen Chawalit Yongchaiyut has openly claimed credit for helping Premier Chatchai Chunhawan form a government coalition while he was the army chief.

Some academics recalled that in the past the people at the grassroots level looked toward the military as the ultimate peacekeeper and fighter against corruption. They suggested that the military conduct appropriate public relations campaigns to inform the people of this traditional role.

Another way to improve the military's [role] is to attack corrupted politicians. "All you have to do is to have TV Channel 5 (of the Army) do a documentary on how a politician has changed after he has come to power. It should show how many expensive sedans he has acquired and how many houses he has bought," one of them suggested.

One journalist urged the military to be patient with the slow pace of political development. He pointed to the recent Bangkok by-election in which Phalang Tham's candidate won amid persistent, rumours of vote-buying by one of his rivals.

Soldiers can get involved in politics as voters and senators. But if they want more, they can contest in elections after retirement or resignation from the military, he added.

Military, Premier To Have Reconciliation Dinner

BK0612011190 Bangkok BANGKOK POST in English 12 Dec 90 p 1

[Text] Supreme Commander Sunthon Khongsomphong and the three armed forces commanders have accepted Prime Minister Chatchai Chunhawan's invitation to dinner to clear up misunderstandings over the latest Cabinet reshuffle, an informed source said yesterday.

The source said Gen Sunthon agreed to the dinner after being personally invited by one of the Prime Minister's advisers last Tuesday [4 December] at Supreme Command headquarters. The dinner was expected to be held this week, the source said.

Army Commander-in-Chief Suchinda Kharaprayun, Navy Commander-in-Chief Praphat Kritsanachan and Air Force Commander-in-Chief Kaset Rotchananin all had earlier accepted the invitation.

"Everything has been settled and Gen Sunthon understands the situation. He will attend the special dinner at which only the Prime Minister, the supreme commander and the three armed forces chiefs will be present so they could have a frank discussion," the source said.

The source said Gen Chatchai was concerned about the misunderstandings and had been urged by his advisers, including PM's advisory chairman Gen Han Linanon and his aide Phithak Intharawithayanan, to patch up the rift as soon as possible.

"The Government would be unstable as long as the misunderstandings exist," the source said. The source said it has not yet been decided where the dinner would be held, but it would not be at the Premier's Soi Ratchakhru home.

The source said it was likely the Prime Minister would discuss politics during the dinner, including the next reshuffle, in which all "questionable" ministers are expected to be replaced to improve the Government's image.

The reshuffle on November 22 was broadly criticised and the Army accused Gen Chatchai of breaking a promise to remove Chaloem Yubamrung. Pol Capt Chaloem, who was PM's Office minister, changed posts with Deputy Education Minister Sora-at Klinprathum in the reshuffle.

The military chiefs and Gen Sunthorn have since boycotted their weekly breakfast meeting with the Prime Minister.

Meanwhile, an army source said that whether senators who are also military men would sign the opposition motion for a special House session depends largely on the next reshuffle. If the Government is not "overhauled" by removing "questionable" ministers, the military senators would most likely join the opposition move for a special session, the source said.

Commerce Minister Amaret Threatens To Resign

BK2811030590 Bangkok BANGKOK POST in English 28 Nov 90 p 3

[Text] Commerce Minister Amaret Sila-on said he will resign if Social Action Party [SAP] leader M.R. Khukrit Pramot supports his MPs in seeking to grill him over falling paddy prices and the shortage of cement and steel bars.

Mr Amaret who is a non-elected Cabinet minister, was responding to a report that a group of SAP MPs has submitted a request to M.R. Khukrit seeking to grill Mr Amaret about the problem.

The Commerce Minister said he did not feel disturbed by the SAP MPs' move as the group did not submit the request to him. He will resign from the Cabinet if M.R. Khukrit supports the move. "M.R. Khukrit can tell me if he agrees with the MPs' move, so I will resign," Mr Amaret said.

The minister said he is not confident if he can handle current economic problems but will try to do his best.

Nine Democrat Ministers Said Ready To Resign

BK0612105190 Bangkok THAI RAT in Thai 6 Dec 90 pp 1, 14, 22

[Excerpts] Our correspondent reported yesterday that there would be a major cabinet reshuffle by 15 December. The reshuffle would involve all the coalition parties and all the portfolios. [passage omitted]

The report said that according to a formula mapped out for the next cabinet, the Muanchon Party would no longer be part of the coalition government, but the coalition would include the Prachakon Thai Party [an opposition party] instead. All three ministers who are not members of parliament—Finance Minister Wiraphong Ramangkun, Commerce Minister Amaret Sila-on, and Deputy Interior Minister Police General Wasit Detkunchon—would be left out. Eventually, the Social Action Party would agree to give a green light to the overhaul of the cabinet, provided that it would regain both the posts of finance minister and deputy interior minister, which once before belonged to the party. [passage omitted]

A report from the Chat Thai Party disclosed that, for the party's quota, party secretary general Banhan Sinlapacha would be switched to the finance ministerial post, while Prime Minister General Chatchai Chunhawan would also take the post of interior minister, and Police General Praman Adireksan would become minister of defense. The new industry minister would probably be either Kon Thappharangsi or Pramuan Saphawasu, who is currently deputy prime minister. The dividends for the Saha Prachathipatai Party and the Ratsadon Party were not mentioned.

Concerning the Democrat Party's quota, the correspondent reported that the consultative meeting of the party's executive committee concluded that it would be best if there were no change in the party's portfolios at all, simply because there has just been a reshuffle recently. However, when necessary, the party is willing to make it convenient for the reshuffle upon the prime minister's request. All nine Democrat ministers are ready to write letters of resignation immediately after an agreement is reached on the reshuffle. The party would still follow its resolution made earlier that the reshuffle be made among the same nine ministers of the party only, regardless of whatever posts they would be switched to, but there must be no one left out. Whenever an agreement is reached between the prime minister and the nine ministers, they all will submit their resignation letters.

According to the reporter, all nine Democrat ministers have already been informed of such conditions. They are Deputy Prime Minister Major General Sanan Khachonprasat, Agricultural Minister Chuan Likphai, Public Health Minister Prachuap Chaiyasan, Science and Technology Minister Charoen Khanthawong, Deputy Agriculture Minister Suthat Ngoenmun, Deputy Public Health Minister Anek Thapsuwan, Deputy Finance Minister Niphon Phromphan, Deputy Interior Minister Trairong Suwankhiri, and Minister Attached to the Prime Minister's Office Khunying Suphattra Matsadit.

Deputy Prime Minister Sanan, in his capacity as secretary general of the Democrat Party, admitted it is true that all of the ministers of the party are ready to submit letters of resignation to the prime minister to make it convenient for him to reshuffle the cabinet. [passage omitted]

Cabinet Approves of Supporting Rice Prices

BK0612011690 Bangkok BANGKOK POST in English 5 Dec 90 p 17

[Text] In an effort to support rice prices during the 1990-1991 season, the Cabinet yesterday approved nine price-support projects as proposed by the Agriculture Ministry.

The nine projects are:

—Price intervention by the Interior Minister by allocating 200 million baht from the Agriculture Welfare Fund to the ministry as revolving funds for purchasing paddy from farmers.

—The price support programme of the Supreme Command, in which 30 million baht will be allocated from the Agriculture Welfare Fund to the command as its revolving funds to buy main-crop paddy.

—The price support programme of the Royal Navy, allocating 20 million baht to buy main-crop paddy.

—The price support programme of the Royal Air Force, allocating 20 million baht to buy main-crop paddy.

—The rice stocking project of the Agriculture Extension Department, allocating 200 million baht from the Agriculture Welfare Fund to buy paddy for stocks. If necessary, the Department is allowed to borrow loans up to 200 million baht from the Bank for Agriculture and Agricultural Cooperative (BAAC) while the Agriculture Welfare Fund will be responsible for paying the interest.

—The re-lending project of the Cooperative Promotion Department, allocating 500 million baht from the Agriculture Welfare Fund to cooperatives for re-lending to farmers. Another 250 million baht will be allocated from Japanese Government aid to cooperatives as their revolving funds.

—The debt-settlement project of the Market Organisation for Farmers [MOF], allocating 100 million baht from the Agriculture Welfare Fund to the MOF as revolving funds to accept settlement of fertiliser sales to farmers with their paddy.

—The paddy mortgage project of the BAAC, allocating 312.5 million baht from the Agriculture Welfare Fund to the BAAC in accepting mortgages of paddy from farmers.

—The rice barn construction project of the BAAC. Funds for the project will be sought from other sources.

Vietnam

Foreign Ministry Hails UNSC Cambodian Efforts

BK0612104790 Hanoi International Service in English 1000 GMT 6 Dec 90

[Text] A spokeswoman for the Vietnamese Foreign Ministry Mrs. Ho The Lan affirmed that Vietnam welcomes efforts of the five permanent members of the UN Security Council [UNSC] to promote the process for a solution to the Cambodian issue and to push forward a framework document for that solution.

Speaking at the regular press conference on Thursday, Mrs. Ho The Lan said that it is the task of the Paris International Conference with the participation of the SNC [Supreme National Council] and other countries to concretize this framework. Vietnam held that a fair and reasonable solution should comply with the real situation in Cambodia and respect the independence, sovereignty, and right to self-determination of the Cambodian people. That solution should also conform to the UN Charters aimed at building Cambodia into a country of peace, independence, neutrality, nonalignment without foreign interference, and non-recurrence of genocide.

Mrs. Ho The Lan said that Vietnam approves the UN important role in the political solution to the Cambodian issue, but the UN activities must be based on strict respect for the UN Charters and sovereignty of Cambodia, a member country of the UN. She said: Vietnam welcomes China's declaration on ending its arms supply to the Khmer Rouge and wishes that China would seriously carry out its declaration.

Also at the press conference, the spokeswoman said that the Vietnamese and Soviet experts are discussing concrete problems on the forms and cooperation mechanism of the Vietnam-Soviet relations in the future.

Further on National Assembly Session, Communiques

Deputies Hold Group Meetings

BK0412133290 Hanoi Domestic Service in Vietnamese 1100 GMT 4 Dec 90

[Text] By the afternoon of 3 December 1990, National Assembly deputies from all parts of the country had arrived in Hanoi for the Eighth National Assembly's eighth session. Prior to their departure, the deputies had met with a large number of voters to solicit their views regarding those issues to be discussed at the coming National Assembly session. They had also held group meetings to review the implementation of the resolution of the National Assembly's seventh session in their localities concerned.

On 4 December 1990 the deputies held group meetings to contribute their views to the planned agenda and to study various documents to be discussed at the eighth session.

In early December, the Nationalities Council and other standing committees of the National Assembly had met to prepare investigative reports on draft laws as well as other reports to be presesented before the National Assembly session.

In the evening of 4 December 1990 the National Assembly will hold a preparatory meeting at the conference hall and tomorrow morning, 5 December, the Eighth National Assembly's eighth session will be solemnly opened at the Ba Dinh conference hall in Hanoi.

Spokesman Discusses Bills

BK0412134690 Hong Kong AFP in English 0953 GMT 4 Dec 90

[Text] Hanoi, Dec 4 (AFP)—Bills on private enterprise will top the agenda of the Vietnamese National Assembly's winter session at its opening Wednesday, a government official said.

The session, to last until December 21, is expected to adopt bills on joint-stock companies and a reduction in national military service from three to two years. The latter is aimed at improving the quality of the professional officer corps.

Vu Mao, member of the Central Committee of the Vietnamese Communist Party and spokesman for the National Assembly, said during a press conference that the two bills promised "a lively debate."

The bill on private enterprise and joint-stock companies, which seeks to link the public and private sectors, was drafted rapidly and carefully after consultation with foreign experts, he said.

Mr. Mao said the private enterprise bill was aimed at encouraging "all individuals to invest in the production of consumer goods" for domestic use or export.

He said the joint-stock company bills would "mobilize capital," favor creation of joint ventures and connect individuals with state-run businesses.

Legislators will also hear reports on a number of topics, including the state of the economy in 1990 and the forecast for next year.

"We need to study the international situation that will influence the country's economy in 1991," Mr. Mao said.

He said legislators would also discuss the government's diplomatic activities, anti-smuggling efforts and corruption in the banking system.

Four other bills—on forestry, primary education, child protection and upgrading the activities of the National Assembly—will also be discussed.

Mr. Mao also said a commission created a year ago to study amendments to the Constitution would continue to "study the experiences of other countries" such as the Soviet Union, Eastern European countries and China, but also France, Japan, the United States and Australia.

"We have taken useful things from all different governments," he said, adding that future amendments to the Constitution "would take into account the specifics of Vietnam."

Vietnam has amended its Constitution three times since its independence from France, in 1946, 1959 and again in 1980.

Le Quang Dao, Vo Van Kiet Speak

BK0512134190 Hanoi Domestic Service in Vietnamese 1100 GMT 5 Dec 90

[Summary] This morning, the Eighth National Assembly solemnly opened its eighth session at the Ba Dinh Conference Hall in Hanoi.

"Attending the opening meeting were comrades Nguyen Van Linh, party Central Committee general secretary; Vo Chi Cong, State Council chairman; Do Muoi, Council of Ministers chairman; Pham Van Dong, adviser to the party Central Committee; and many members of the party Central Committee Political Bureau and Secretariat and of the Council of Ministers. Also on hand were members of the diplomatic corps and numerous local and foreign press correspondents."

At 0800 sharp, the meeting opened. National Assembly Chairman Le Quang Dao delivered the opening speech.

[Begin Le Quang Dao recording] "Respected Comrade Nguyen Van Linh, party Central Committee general secretary; respected Comrade Vo Chi Cong, party Central Committee Political Bureau member and State Council chairman; respected Comrade Do Muoi, party Central Committee Political Bureau member and Council of Ministers chairman; respected Comrade Pham Van Dong, adviser to the Vietnam Communist Party Central Committee; dear distinguished guests and National Assembly deputies:

"I cordially welcome you, deputies, from all regions of the country. On behalf of the National Assembly, I warmly welcome the diplomatic corps members and international friends who are present here to attend the opening meeting of the eighth National Assembly's eighth session of the Socialist Republic of Vietnam [SRV]. [applause]

"Dear deputies, 1990 is the last year of the five-year 1986-90 plan. In the complex international situation and at a time when external sources of revenue have largely decreased and there have been successive natural disasters, under the party and state leadership, our compatriots and combatants countrywide have strenuously struggled to overcome all difficulties in the renovation spirit of the sixth party congress resolution and the various National Assembly resolutions to achieve some changes for the better in the socioeconomic situation of our country.

"The production of grain continues at an accelerated pace. The values of exports have increased considerably. Some of the new policies and systems are becoming a part of daily life. The various economic sectors continue to develop. Although the struggle against smuggling, corruption, and shortfall in tax collection has just started, some initial results have been recorded. Socialist democracy has been promoted in all domains. Stability of political and national defense tasks, security and foreign affairs have been assured. The initial achievements that we have scored in the recent past are very encouraging. Yet the current socioeconomic situation is still rife with shortcomings. The economy has lost its balance seriously in many aspects and has developed slowly and ineffectively. Prices have not stabilized. There is still a major budget deficit. The number of unemployed workers has increased. The livelihood of some peasants, cadres, workers, administrative servants, armed forces members, and retirees is still very difficult. The cultural and social domains are still unsatisfactory in many respects. The situation of social order and safety remains complex.

"At this session, in light of the party Central Committee's tenth plenum resolution, the National Assembly will devote a great deal of time to analyzing and assessing the results of implementing the National Assembly resolution on the socioeconomic tasks and the state budget in 1990; decide the orientations, objectives, and measures to implement the socioeconomic tasks and the state budgetary estimate for 1991; examine the situation of struggle against corruption and smuggling, the work of the people's court, and people's organ of control. Also at this session, the National Assembly will hear reports and express its views on the draft strategy for socioeconomic stabilization and development of our country until the year 2,000, the orientations and tasks of the socioeconomic development program for the 1991-95 period.

"The National Assembly will hear the foreign minister report on our government's diplomatic work in 1990 and the orientations and tasks of the foreign service in 1991. Concerning legislative work, the National Assembly will discuss and decide on adopting some draft laws, namely the law on private trade, the law on shareholding companies, and the laws that amend and supplement the law on military obligations and the law on the Vietnam People's Army officers.

"Also in this session, the National Assembly will give its views on a report on the activities of its own and the Council of State over the past three years or more and on its course of action until the end of its term of office.

"It will discuss and pass the draft organizational and operating statutes of the nationalities council and of various standing committees of the National Assembly; the draft amendments and supplements to a number of articles in the National Assembly deputies' statute and the internal regulations of the National Assembly.

"The year 1991 holds a particularly important meaning as it is the first year of the five-year 1991-95 plan. Although we have many new favorable conditions, we are facing many difficulties and great ordeals in the socioeconomic development of our country. Our National Assembly should bring into play the collective intelligence, democratically discuss and correctly assess the favorable conditions, newly emerging acute difficulties, the positive changes already achieved, and the shortcomings in guiding and operating the socioeconomic tasks; point out causes and lessons of experience; set forth policies and measures to attain in 1991 the goals of gradually stabilizing the socioeconomic situation, extricating our country from crises and prepare steps forward for subsequent years. [applause]

"I declare the eighth national assembly's eighth session of the SRV to be open." [applause] [end recording]

Comrade Vo Van Kiet, vice-chairman of the Council of Ministers, on behalf of the council, presented a report on the 1991 socioeconomic development plan.

"The report is composed of two main parts. The first part appraises the situation in 1990 and generally reviews the 1986-90 five-year period. The second part presents some points of the 1991 socioeconomic development plan.

"In the first part, the report assessed the situation and major socioeconomic changes during the 1986-90 period. In this period, the economy of our country headed downhill into recession. Agricultural production decreased to the point where production of grain and food products was insufficient. The situation of consumer goods was tense. Export was slumping. Aid and import surplus increased but were used inefficiently. Life became difficult. Circulation was stalemated. Inflation was soaring high. Finances worsened."

Faced with such a situation, our party has initiated some remedial measures in the renovation spirit of the sixth party congress resolution to advance the country to today's new situation.

"After appraising the achievements, the report pointed to the outstanding problems to be overcome in 1991.

"In the second part, the report analyzes the 1991 situation of domestic and foreign affairs, and the difficulties and favorable conditions."

Then, the report points out the general 1991 objectives that are to consolidate and develop by all means the 1990 achievements, to overcome the new socioeconomic difficulties, to prevent major upsets and to create steadier steps forward for subsequent years.

Finally, the report says that with new favorable conditions in 1991, the support and trust of the people, the five-year plan and the various platforms and resolutions of the coming seventh party congress, our people will certainly overcome all ordeals and fulfill the 1991 strategic tasks.

"Also in this morning's opening meeting, the National Assembly heard Finance Minister Hoang Quy's report, on behalf of the Council of Ministers, on the implementation of the 1990 state budget, the 1991 state budget estimates, and the final statement of the 1989 state budget."

Communique No. 1

BK0512153390 Hanoi Domestic Service in Vietnamese 1430 GMT 5 Dec 90

[Communique No. 1 on 5 December opening meeting of the Eighth National Assembly's Eighth Session]

[Text] On the morning of 5 December 1990, after the National Assembly deputies visited Ho Chi Minh mausoleum, the Eighth National Assembly's eighth session of the Socialist Republic of Vietnam [SRV] solemnly opened at the Ba Dinh Conference Hall in Hanoi.

Attending the meeting were Comrade Nguyen Van Linh, general secretary of the Vietnamese Communist Party Central Committee; Comrade Vo Chi Cong, party Central Committee Political Bureau member and Council of State chairman; Comrade Do Muoi, party Central Committee member and Council of Ministers chairman; Comrade Pham Van Dong, adviser to the party Central Committee, and many other party and state leaders. Also on hand were many members of the diplomatic corps and representatives of international organizations in Vietnam.

Following National Assembly Chairman Le Quang Dao's opening speech, the National Assembly heard:

1. Comrade Vo Van Kiet, vice chairman of the Council of Ministers, read a report on the 1990 socioeconomic situation and the 1991 socioeconomic tasks.

2. Comrade Hoang Quy, finance minister, on behalf of the Council of Ministers, read a report on the implementation of the 1990 state budget, the 1991 state budget estimates, and the final statement of the 1989 state budget.

In the afternoon, the National Assembly continued to hear:

3. Comrade Nguyen Ky Cam, state inspector general, on behalf of the Council of Ministers, read a report on the results of implementing the anti-corruption struggle over the recent past.

4. Comrade Hoang Minh Thang, trade minister, on behalf of the Council of Ministers, read a report on the situation, policy, and measures of the anti-smuggling struggle.

5. Comrade Cao Si Kiem, the state bank governor, on behalf of the Council of Ministers, read a report on the continued inspection of, dealing with, and correction of negative phenomena that violate the law of banking operations.

6. Comrade Pham Hung, chief justice of the People's Supreme Court, read a report of the justice branch.

7. Comrade Tran Quyet, chief procurator of the Supreme People's Organ of Control, read a report of the control branch.

Tomorrow, 6 December 1990, the National Assembly will continue its plenary meeting at the Ba Dinh Conference Hall.

Communique No. 2

BK0612114790 Hanoi Domestic Service in Vietnamese 1100 GMT 6 Dec 90

[Communique No. 2 of the Eighth National Assembly's Eighth Session]

[Text] On 6 December, the SRV National Assembly held its plenary session at the Pa Dinh Conference Hall. National Assembly Chairman Le Quang Dao chaired the session. The National Assembly heard:

1. Comrade Lai Van Cu, director of the National Reserves Department, on behalf of the Council of Ministers, report on the situation of the national grain reserve and issues to be resolved after various inspections have been carried out by the department.

2. Comrade Nguyen Co Thach, vice chairman of the Council of Ministers and foreign minister, report on foreign affairs activities of our state in 1990 and orientations for the days ahead.

3. Comrade Phan Van Khai, head of the State Planning Commission, on behalf of the Council of Ministers, present our country's draft strategy for socioeconomic stabilization and development till the year 2000, and a draft document on the orientations and plans for socioeconomic development during the five-year period from 1991-95.

On 7 December, the National Assembly will continue its plenary session to hear reports by the Nationalities Council and standing committees of the National Assembly.

Session Continues 6 Dec

BK0612055490 Hanoi Domestic Service in Vietnamese 0500 GMT 6 Dec 90

[Text] The eighth session of the Eighth National Assembly continued its plenary session at the Ba Dinh Conference Hall in Hanoi this morning.

The National Assembly heard Comrade Lai Van Cu, director of the National Reserves Department, who, empowered by the Council of Ministers, read a report on the results of legal action taken against infractions of the national reserves sector; and Foreign Minister Nguyen Co Thach, who, on behalf of the Council of Ministers, read a report on work related to our state's foreign relations in 1990 and on the orientations for foreign relations activities in 1991.

Next, Phan Van Khai, chairman of the State Planning Commission, on behalf of the Council of Ministers, read a report on our country's draft strategy for socioeconomic stabilization and development up to the year 2000 and on the orientations and plans for socioeconomic development during the 1991-95 5-year period.

This afternoon, the National Assembly will continue its plenary session at the conference hall.

Draft Socioeconomic Strategy, First Installment

BK0412054990 Hanoi Domestic Service in Vietnamese 1100 GMT 2 Dec 90

["Draft Strategy of Socioeconomic Stabilization and Development Up to the Year 2000"—first of five installments]

[Text]

Part One: Socioeconomic Reality and Development Resources

I. Socioeconomic Reality

1. Our country advances to socialism from a very low starting point. Today, it still remains one of the world's poorest nations. We have made numerous efforts to heal the wounds of war, to restore and develop production, to build material and technical bases, and to promote education, science, and health care. However, the economy is still in a state of underdevelopment and is marked by prevalent small-scale production and a highly autarkical character. The level of technical equipment in production as well as the economic, cultural, and social infrastructures is backward while labor productivity remains very low. The economic structure still has the characteristic of a backward agricultural country that suffers from serious imbalances in many fields, is incapable of creating accumulation from domestic sources, and heavily depends on the outside world. The state of partition and seclusion in each unit, each sector, and each locality still prevails. The management mechanism based on bureaucratic centralism and state subsidies has left many negative consequences. The economy operates at very low efficiency. A socioeconomic crisis has

unfolded for many years with the following characteristics: serious inflation; a slow and unstable production growth rate; underused resources, equipment, labor, and talents; deprivations in people's daily life; unhealthy cultural, spiritual, and moral life; public order and security not guaranteed; spreading of corruption and other social evils; violations of social justice; and decline in public confidence in the party leadership and the state managerial capability.

This reality has deep-seated roots. It is a legacy of history and a consequence of many years of war. However, its chief cause is our attempts to build socialism on a model heavily shot through with dogmatism, slavish imitation, subjectivism, and voluntarism that are concentratedly reflected in the arrangement of our economic and investment structures inclined toward development of heavy industry; our fondness of large-scale projects; indiscriminate construction; hasty abolition of economic forms based on the system of private ownership of the means of production; formalist development of the state-operated and collective economic sectors; a management system based on a centralized planning mechanism operating by means of administrative orders and in-kind relations; denial of the commodity-based economy and the market mechanism; and a bureaucratic, cumbersome, and inefficient apparatus. These mistakes have inhibited the productive force and many development resources.

2. The viewpoints and policies of renovation laid down by the sixth party congress, concretized and developed in the implementation process, have led to changes of a turning-point significance reflected in the abolition of the mechanism of bureaucratic centralism and state subsidies, and in the shaping of a new management mechanism suitable for the multi-sectoral commodity-based economy. The socioeconomic life has undergone some important changes, especially since 1989, resulting in lower inflation, achievement for the first time of grain surplus for export, better response to people's demands for consumer goods, rapid increase in exports, and fresh development in external economic relations.

These changes prove that the renovation process initiated and led by our party has proceeded in the right direction. However, this progress has not yet been steady. The consequences of our old mistakes are still grave and many new difficulties have cropped up. The switch to the market mechanism has infused the economy with fresh vitality, but the managerial system, apparatus, and cadres have failed to catch up and have still shown a great deal of confusion and neglect. Inflation and the chaotic state of the financial and monetary system have not yet been eliminated; order, discipline, and social justice have not yet been established; and production remains unstable. The country, which has not yet extricated itself from the current socioeconomic crisis, has had to face new difficulties caused by unfavorable changes in the international situation and by hostile forces' schemes and maneuvers.

II. Development Resources

1. Source of Vietnamese manpower and people.

Entering the decade of the 90's, our country has 66 million people with 34 million of working age. Until the year 2000, we will have about 80 million people with 45-46 million of working age. The Vietnamese people are traditionally patriotic, diligent, intelligent, and creative, inheriting this from the quintessence of more than 4,000 years of civilization. Their good cultural and educational background enables them to quickly grasp technological progress. They are the most important resources for national development. The large population has created conditions for forming a large domestic market. The abundant source of cheap labor is an advantage for us in joining the international division of labor. However, the rapid population growth has made the problems of livelihood and employment even more pressing.

The Vietnamese people are currently hampered by some restraints in terms of physical force, knowledge, skills, and small producers' habits. Once these weaknesses are overcome, the source of manpower, the human factor, will then become truly one of the country's strengths.

2. Natural resources.

The relatively abundant and diverse natural resources of our country have been hardly exploited. The geological and weather conditions, together with the resources of living things allow for the development of agriculture, forestry, and fisheries; the feeding of a large population; and the availability of many tropical products for export. Yet, the irregularity of weather has also caused much difficulty to agriculture and other economic sectors.

Although the per capita area of cultivated land is small, around 0.1 hectares, it still can be expanded to mountainous and hilly regions in the central highlands and along the coast. Thus, the capacity for extra crops is still great. Although forests have become depleted because of wanton exploitation and destruction, they can be quickly restored if correct policies and measures are adopted. The remaining 8 million hectares of forests which have been protected and exploited well, in addition to about 10 million hectares of idle land and bare hills to be recovered with greenery, will be an economic and ecological strength. The sea zones, islands and continental shelves of our country hold much potential for the exploitation, raising, and processing of maritime products; the development of oil, gas, and ore exploitation and the processing industry; and the expansion of sea transport, services, and tourism. Hydropower sources can be tapped in many regions to partly meet energy needs. Mineral resources are also a considerable source of potential. Some can be exploited on a large scale such as oil, gas, bauxite, iron ore, rare earth, and other mineral ores used in the manufacture of construction materials. Many others which are scattered in small deposits countrywide, should be exploited on a proper scale and according to suitable technology.

3. Geographical position.

Located in an area where there is dynamic economic development on a worldwide scale, and along the important lines of international communications with many convenient doors opening onto the seas—even for some of the regional countries and zones—our country holds an advantageous position to expand economic relations with other countries in order to attract foreign investment, and to develop trade, air, and naval services, as well as tourism. The central highlands with a thoroughfare to the seas linking the highlands of southern Laos and eastern Cambodia, is an area of much latent potential for an economic alliance among the three Indochinese countries.

4. Material installations and latent technological potential.

Although our existing material and technical installations lack homogeneity and are mostly backward technologically, they are still our precious basic assets. Some of the installations are under construction and will be put into use, especially installations of electricity, oil, and gas. The source of capital from economic units and the people put together is not small. It can be promptly tapped and developed effectively.

Along with the network of training schools and research institutes, the contingent of scientific and technical cadres and workers still has considerable potential that could be brought into full play. On the other hand, we still lack knowledge and experience in market-oriented economy and suffer from an acute shortage of technical cadres and workers, particularly capable businessmen and managers, talented scientists and technologists, and skilled workers.

5. Foreign resources:

In the 1990's the process of internationalizing the world economy will continue to be intensified, and economic and scientific and technological relations and intercourse will develop even more vigorously and become an imperative demand of all countries. Each country can and should make the fullest use of the great potentials of the world economy in terms of capital transactions, market expansion, technology transfer, and managerial experience in order to effectively supplement and develop its own domestic advantages and resources. There are many possibilities for us to maintain and develop mutually beneficial intercourse and cooperation with countries with which we have traditional relations. At the same time, we should expand our relations with other countries and regions, strive for aid and cooperation from various international and nongovernmental organizations, and attract the capital and intellect of overseas Vietnamese.

Part Two: Development Viewpoints and Objectives

I. Development Viewpoints

1. We will strive for socioeconomic development along the socialist path and firmly maintain national independence in our country with a view to making our people prosperous and our country strong, and advancing to modernization in a society under the mastery of the working people, a society with humanitarianism, culture, order and discipline and in which oppression and injustice are abolished and everyone enjoys a decent life in freedom and happiness.

The economy will have a multisectoral structure and many forms of ownership, with the state-operated economic sector holding the key positions and associating with and assisting other economic sectors to promote their development for the benefit of the national economy and the people's livelihood. The state manages the economy in its capacity as an organ of authority representing the people's interests, and as the owner and representative of the property belonging to the all-people ownership. The income distribution mechanism must ensure social justice in conformity with the level of economic development, with the system of income distribution according to one's work to be adopted as the principal form of distribution. All legitimate income will be protected, and incentives will be given to people to enrich themselves in parallel with an effort to reduce the number of poor people.

Economic development is associated with social development. The socioeconomic development strategy gives center stage to man and is designed by the people and for the people. All latent potentials of each individual, each working collective, and the entire national community must be released and brought into full play. Vietnamese of all nationalities and social strata will be mobilized and provided with proper conditions to enrich themselve and the country.

The interests of each person, each collective, and society as a whole have been taken care of through a system of policies in which the individual interests are the direct motivating force in creating bases on which to daily serve ever more interests of collectives and the entire society.

Economic interests are not separated from the moral motive, which accelerates democratization and the achievement of social justice to make sure that all people can have peace of mind and enthusiasm to work according to law.

We should bring into play traditional patriotism, the spirit of solidarity and cooperation, and a sense of thrift and respect for law and discipline; overcome the psychology of depending on others; oppose waste and corruption in both production and consumption; resolutely defeat poverty and backwardness; and make our country greater and more beautiful, just as Uncle Ho instructed.

The moral motive is linked closely to the development of education, culture, and science to raise the people's intellectual standard, treasure talented people, cultivate moral, ethical and cultural values in the nation, and, at the same time, acquire the cultural essence of mankind.

Economic development is linked to cultural and social development to create harmony between economic democracy and social progress, between the material and moral aspects of life, and between means of living and lifestyle, and to bring into play the integrated strength of the human factor.

2. The planned development of the multi-sector consumer economy is the way to democratize economic life, liberate all capabilities, develop the production force, expand social labor division, and increase economic results. We should create an environment and conditions for vigorously developing the consumer economy, form an increasingly better market encompassing all areas and factors of the production recycling process, smoothly trade throughout the country and with foreign countries, and overcome the trend of closed-door self-sufficiency.

The consumer economy evolves along the market mechanism under the action of objective laws that the state must observe and apply correctly in order to renovate planning and management and regulate the market through many tools and measures, mainly economic measures. The consumer economy has a multi-sector structure of many types of ownership and many forms of economic organization. All citizens are free to do business legally and choose their own economic organizations. Their right to ownership and legal income are protected by law. All economic units, regardless of their ownership relations and organizational forms, are equal before the law.

The process of socializing production is connected to the process of centralized capital accumulation in advancing toward large-scale socialist production, which takes place in several forms of rallying various economic components and step-by-step establishes a number of large business corporations with the role of controlling the economy, in which the state economy serves as the core.

3. We should build an open economic system to optimally exploit and develop all domestic sources of force, along with promoting and receiving technological assets and the overseas market and combining the national force with the strength of the era in order to occupy an ever more significant position in the international division of labor.

We should proceed from the socioeconomic results to orient the fulfillment of various needs through local production or through trade with other localities inside and outside the country. In order to make sure that the economy can develop constantly and actively, we must first of all rely on our own strength and not on outside assistance. At the same time, we must seek every way to expand the foreign economic relations on the principle of firmly maintaining independence, sovereignty, equality and mutual benefits.

We should adopt an open-minded foreign economic relations policy capable of ensuring a stable political and social environment and favorable conditions for development of the country and cooperative exchanges with the outside world; strengthen the maintenance of political security and public order and safety; and preserve the nation's cultural identity and ethical and moral values.

4. We should undertake national industrialization and modernization in such a way as to suit practical conditions on the basis of achieving industrial, educational, and training development. Industrialization and modernization is, in fact, a shift from a backward industry with low labor output to a modern industry with high labor output in various national economic sectors. Industrialization should be closely linked with agricultural, forestry, and fishery development. We should achieve industrial integration at different levels, with attention paid to those labor-intensive industries that require less capital investment, and exploit and improve traditional industries along with making full use of modern industries. We should exert extensive and intensive development efforts, with attention increasingly focused on intensive development. We should mainly build small- and medium-scale production establishments. This does not mean that we will not build large-scale establishments when our money and conditions permit.

We should closely combine economic construction with national defense and constantly strengthen our national defense capabilities.

Accelerating the application of scientific and industrial findings in production is the shortest and most effective way to achieve industrialization and modernization.

We should concentrate on improving the country's scientific and industrial know-how and harmoniously develop social science, natural science, and technical science along with promoting educational and training development and people's knowledge.

5. Socioeconomic results are the most important goal of development: The efficiency of a production or business unit is reflected in its income earned through efforts to increase labor output, improve product quality, economize on spending, increase the competitive power of goods, and meet market demands.

We should actively do away with the subsidy-based system and fully guarantee the right of grass-roots units to make decisions and take responsibility in production and business.

Economic units should carry out profit-and-loss business accounting, achieve technical and managerial renovations, and improve the efficiency of all activities.

Harmonizing economic results with social effects, laws, and economic policies should guide and encourage economic units to pay attention to social effects in business, with the emphasis placed on creating more employment, rationally distributing income, protecting the environment, and maintaining political security, public order and safety, and cultural values.

The state should formulate support policies to ensure the interests of those economic units serving social policies.

II. The Objectives of the Strategy

The strategy for socioeconomic stabilization and development is focused on encouraging the entire party and people to uphold the sense of indomitability and industriousness in national construction, as well as to actively tap all sources of manpower both from within and without. In the interests of ourselves and our country, we must strive resolutely to overcome all difficulties with the aim of successfully achieving the objectives of socioeconomic stabilization and development, thereby improving the people's livelihood, being freed from being a poor and underdeveloped country, consolidating national defense and security, and creating favorable conditions for more rapid development in the early part of the 21st century.

By the year 2000 we must strive to achieve the following objectives and main tasks:

1. It is necessary to satisfy all the fundamental needs arising from the task of improving the material, cultural, and spiritual life of the people as well as to firmly meet the needs for food, clothing, and other consumer goods to ensure the reproduction of manpower. We should abolish hunger, minimize the number of needy families, overcome the situation of malnutrition among children, improve the physical strength of youths and teenagers, increase the average longevity of the entire people, and improve the people's health care conditions.

Efforts must be made to basically solve the problem of employment for laborers, considerably reduce the rate of population growth, eradicate illiteracy, arrange for children to go to school when reaching the eligible age, spread level-I education, ensure that the majority of youths receive at least level-II education, and amply satisfy the people's needs for information and cultural and artistic activities.

It is necessary to improve the people's domicile and travel conditions, eradicate slums in cities, promote the construction of more brick houses in rural areas, solve the problems of water supply and drainage in urban areas and water supply for daily activities in urban areas, prevent environmental pollution, basically complete the settlement of nomads, and stabilize the livelihood of the people of all ethnic minority groups.

2. Economic stabilization and development. We must step up production, increase the efficiency and speed up the pace of economic development, ensure that by the year 2000 the per-capita national income will increase by at least twofold over 1990, and gradually increase accumulation from within the economy, which by the year 2000 will make up some 15 percent of the productive national income.

Efforts must be made to bring inflation under control, stabilize prices and the purchasing capacity of money, reduce budgetary overspending, curtail differences in the world balance of payments, ameliorate the national financial system, and ensure necessary national reserves.

We should improve the efficiency and increase the leading role of the state-run economy; consolidate and broaden various forms of cooperativization; bring into vigorous play the potential of private, individual, and family economies; and develop various forms of cooperativization, joint ventures, and economic integration between economic components and the outside world. We should improve and operate smoothly a new management mechanism suitable to a commodity-based multisectoral economy and perfect the legal system on economy.

3. We should effect a visible change socially, especially in terms of democratic principles and social justice, trying to ensure public order and social discipline and safety, building a wholesome spiritual and cultural life, preserving and improving the nation's cultural values along with acquiring the cultural quintessence of mankind.

We should fight corruption, prerogatives, and special privileges, oppose a decadent lifestyle and other negative social manifestations, and prevent ethical dereliction.

4. We should improve our abilities to apply and study science and technologies, achieve educational and training development, improve intellectual standards, improve technical and vocational training in society, expand and improve personnel's training quality, and concentrate on building the economic, cultural, and social infrastructure.

5. We should firmly defend national independence, sovereignty, and security under all circumstances based on our combined strength—in political, military, socioeconomic, and foreign relations. We should build an all-people's national defense and closely link socioeconomic development strategy with national defense strategy, especially in sensitive areas. We should build the national defense industry and come up with plans to mobilize various economic sectors for support of national defense under all circumstances. We should heighten vigilance to frustrate all enemy schemes and actions.

For the first few years of the nineties we should strive to overcome acute difficulties, trying not to allow unfavorable developments to occur as a result of a change in the foreign relations structure. By 1995 at the latest we should tide ourselves over the current crisis so as to stabilize socioeconomic life; firmly maintain peace, independence, and socialism; create premises for quicker development in the ensuing years; and successfully achieve all the objectives of the strategy for the period between now and the year 2000.

Meetings, Statements Mark 15th Lao National Day

SRV Leaders Attend Meeting

BK0312144990 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Dec 90

[Summary] "A grand meeting was held at the Hanoi municipal theater last evening, 1 December, by the Vietnam Fatherland Front Central Committee, the Union of Peace, Solidarity, and Friendship Organizations, the Vietnam-Laos Friendship Association, and the Hanoi Municipal Party Committee and People's Committee to mark the 15th National Day of the Lao People's Democratic Republic [LPDR]—2 December 1975-2 December 1990.

"Attending the meeting as presidium members were Comrade Do Muoi; Comrade Nguyen Huu Tho; Comrade Nguyen Thi Dinh; Comrade Pham The Duyet; Comrade Nong Duc Manh; Comrade Dinh Nho Liem, Comrade Phan Dinh Minh, Comrade Tran Van Quang, Comrade (Cu Thi Hau), Comrade Phung Ngoc Phung: Comrade Bouasi Chaleunsouk, LPDR ambassador extraordinary and plenipotentiary to Vietnam; and Comrade Bouasi Lovansai, first deputy minister of communications, transportation, and posts, vice chairman of the Laos-Vietnam Friendship Association, and head of the delegation of association currently on a visit to Vietnam.

"After the opening speech by Comrade Do Muoi, member of the party Central Committee Political Bureau and chairman of the Council of Ministers, Comrade Nong Duc Manh addressed the meeting. The comrade recalled the historic events in these days 15 years ago when the heroic people and armed forces, with correct revolutionary lines and creative revolutionary methods, rose up to achieve total victory in the struggle for national liberation, thus toppling the colonial and feudal regime, founding the LPDR, and opening a new era in the nation's history—the era of independence and freedom in which the multiethnic Lao people are masters of their own destiny.

"He also summed up the initial great achievements of the LPDR in national construction and defense and spoke highly of its foreign policy of peace and friendship, which has increasingly enhanced its prestige in the international arena." Comrade Nong Duc Manh continued:

[Begin Nong Duc Manh recording] "Dear comrades and friends, the party, state, and people of Vietnam exultantly rejoice at and take great pride in the glorious achievements recorded by the fraternal party, state, and multiethnic people over the past 15 years. We firmly believe that under the clearsighted leadership of the Lao People's Revolutionary Party [LPRP] headed by esteemed Comrade General Secretary Kaysone Phomvihan, the multiethnic Lao people will surmount all difficulties and complexities in the immediate future to advance to still greater achievements in the process of renovation.

"We note with great pride and elation that the relations of friendship and special solidarity between the parties and peoples of the two countries—which have gone through many ordeals—have increasingly been strengthened and are as clear as the full moon. The cooperation between the two states of Vietnam and Laos has developed constantly in both gravity and magnitude. Many projects of cooperation between the two countries have been put into operation with effective results and have exerted useful effects on the process of socioeconomic development in each country.

"In the face of the new situation in our two countries and the world, we must, on the one hand, continue to strengthen the special solitarity and relations of mutual assistance between the parties and peoples of the two countries. On the other hand, we must change the forms and contents of cooperation in the economic, cultural, scientific and technical fields in order to constantly increase the efficiency of that cooperation.

"This year, apart from the 15th national day of the fraternal LPDR, we have commemorated other major anniversaries of the two peoples of Vietnam and Laos, such as the 60th founding anniversary of the Communist Party of Vietnam, the 35th founding anniversary of LPRP, the 45th National Day of the SRV, and the birth centenary of great President Ho Chi Minh.

"In the festive atmosphere of this major anniversary, with emotion and endless gratitude, we think of esteemed Uncle Ho—the man who devoted all his life to the great revolutionary cause of the Vietnamese people and the man who painstakingly cultivated the friendship between Vietnam and Laos. We now can understand even more profoundly the meaning of the poems he dedicated to the relations between our two peoples: True love makes it possible for people to climb mountains and cross rivers and passes to meet one another. The love between our Vietnamese and Lao peoples is deeper than the Red River or the Mekong River. [applause]

"We pledge to engrave his teachings in our minds and to preserve and make the solidarity and loyalty between Vietnam and Laos fresh forever." [End recording]

Next, Comrade Bouasi Chaleunsouk, LPDR ambassador extraordinary and plenipotentiary to Vietnam, delivered a speech asserting the determination of the entire Lao people and armed forces to successfully carry out their two strategic tasks of defending and building the country in the present stage of the Lao revolution.

Envoy Holds Reception

BK0112130490 Hanoi VNA in English 0943 GMT 1 Dec 90

[Text] Hanoi VNA Dec 1—Lao Ambassador Bouasi Chaleunsouk and his wife gave a reception here yesterday in celebration of the 15th National Day of the Lao People's Democratic Republic (December 2).

Among their Vietnamese guests was Do Muoi, Politburo member of the Communist Party of Vietnam Central Committee and chairman of the Council of Ministers.

Also on this occasion, an exhibition on Lao people's achievements in agriculture, industry, communications and transport, culture, social life, national defence and international relations was opened here on same day under the joint sponsorship of the Vietnam Museum of Revolution and the Lao Embassy in Hanoi.

Mass meetings were organized in Hanoi, Ho Chi Minh City and the central coastal province of Quang Nam-Danang in the last few days to mark Laos's 15th National Day.

Lao Envoy Gives Statement

BK0312131190 Hanoi Domestic Service in Vietnamese 1430 GMT 1 Dec 90

[Statement by Bouasi Chaleunsouk, Lao ambassador extraordinary and plenipotentiary, on the occasion of the 15th anniversary of Lao National Day; date and place not given—recorded; in Lao fading into Vietnamese translation]

[Text] Dear comrades and friends: Today, the Lao people of different ethnic groups jubilantly and solemnly commemorate the historic 2 December National Day.

The Lao people have always been endowed with the tradition of stalwart and unsubmissive struggle against the colonialist clique's aggression and cruel yoke of domination. Many uprisings and armed struggles were staged against foreign aggression but none of them could end in victory.

Being founded by great President Ho Chi Minh and by correctly and creatively applying Marxism-Leninism to the nation's concrete conditions, the Indochina Communist Party—the predecessor of the Lao People's Revolutionary Party—guided the entire people in the struggle to defeat the colonialist and imperialist forces and other reactionary forces and led the revolution to complete victory.

The date of 2 December 1975 marks the culmination of a victory of great historic significance. The overall forces of the oppressive reactionary machinery were smashed. The Lao People's Democratic Republic came into existence and ushered in a new era of independence, liberty, and prosperity.

Over the past 15 years, many complicated international and regional developments have been recorded. Besides fundamentally favorable conditions, the LPDR has also faced numerous new challenges. Nonetheless, thanks to the correct and creative line set forth by the LPRP headed by respected and beloved Comrade Kaysone Phomvihan, the entire Lao armed forces and people have overcome countless new difficulties and challenges and have successfully carried out the task of defending and building the fatherland and have scored many great achievements in all fields.

The party organizations and people's administrative bodies from the central down to grass-roots levels have been consolidated and have guided and managed all state affairs. So far, the state has promulgated many basic laws and will pass the LPDR's constitution in the near future.

The armed forces and national security forces have built and developed their strength with each passing day and have remained absolutely loyal to the fatherland and the party as well as to the people's interests. Together with the entire people, they have protected the fatherland's independence, sovereignty, and territorial integrity; have firmly maintained political security and public order throughout the country; and have helped stabilize and improve the people's living standards an important step further. New progress has been recorded in agricultural production.

On the industrial front, after being restored or expanded, a number of old plants have been commissioned. More than 50 key projects, including a number of tool-making, electricity-generating, industrial machinery manufacturing, coal mining, and construction materials projects funded by Vietnam, the Soviet Union, and other fraternal countries, have been completed and are operating.

At present, the Nam Ngum Hydroelectric Power Plant can produce an annual production output of 921 million kilowat-hour, or 3.8 times more than in 1976.

Moreover, the trade networks at the central and provincial levels have been consolidated and brought into full play. Meanwhile, cultural and educational activities are being carried out actively. The government has paid special attention to eliminating illiteracy and has scored a great achievement in this task while the number of education cadres has increased more than tenfold.

In addition to the abovementioned achievements, the Lao foreign policy of peace, independence, friendship, cooperation, and expanding diplomatic relations with countries in the region and the world has won great acclaim and developed further.

Implementing resolution of the Fourth LPRP Congress and that of the party Central Committee, the LPDR held that in advancing along the socialist path it is necessary to carry out a comprehensive renovation in the economic management concept, structure, and mechanism. It is also necessary to reorganize and improve the work mechanism, while gradually carrying out a political renovation, especially the broadening of democracy within the party and society as a whole, enhance the party leadership capability and state management efficacy, and develop the people's right to be masters of the country.

The LPDR is determined to continue carrying out the renovation cause. This essential task determines the fate and destiny of the nation. Triumphantly implementing the renovation cause is the mission of the entire Lao party, people, and the armed forces.

Entering the new stage of complicated changes in the region and the world which is fraught with difficulties and obstacles, the Lao people uphold their confidence in the party leadership and are determined to successfully carry out the state socioeconomic development programs and strengthen solidarity and cooperation with fraternal and friendly nations in the world. It is expected that the Lao people will score ever greater achievements in the renovation cause.

People of various nationalities in Laos have profoundly realized that all victories scored by the LPDR were closely associated with the support and assistance provided by friendly countries and the militant solidarity and effective assistance given by Vietnam, Cambodia, the Soviet Union, China, other fraternal socialist nations, and progressive forces in the world, especially the wholehearted, lofty, and unconditional assistance—including material assistance, spiritual support, and sacrifices—of the fraternal Vietnamese party, state, and people to the Lao revolution.

The Lao party, state, and people will forever remember this noble sacrifice. They pledge that they will do their best to consolidate and develop the great friendship, special solidarity, and allround cooperation between Vietnam and Laos in the current and next generations.

On this great occasion, the LPDR wishes the Vietnamese people, under the glorious Communist Party of Vietnam's [CPV] correct, creative leadership led by esteemed Comrade Nguyen Van Linh, many ever greater achievements in the renovation cause set forth by the Sixth CPV Congress resolution.

Long live the great friendship, the special solidarity, and the allround cooperation between Laos and Vietnam and among Laos, Vietnam, Cambodia, the Soviet Union, and other fraternal socialist nations.

Vo Chi Cong Returns From Laos

BK0512114890 Hanoi Domestic Service in Vietnamese 1430 GMT 4 Dec 90

[Text] After attending the 15th National Day ceremony and paying a friendship visit to the Lao's People Democratic Republic, the high level delegation of our state and of the party led by Comrade Vo Chi Cong, member of the Political Bureau of the party Central Committee and chairman of the Council of State, returned to Hanoi in the afternoon of December 4.

Decision Issued To Inspect Financial Sector

BK0612051290 Hanoi Domestic Service in Vietnamese 2300 GMT 2 Dec 90

[Text] In order to regulate the state's financial management, to construct and consolidate the financial sector from the central to the local level, to meet the renovation requirements in economic management, and at the same time to contribute to the implementation of Decision No. 240 of the Council of Ministers on the countercorruption efforts in the financial sector, on 29 November the chairman of the Council of Ministers issued a decision entrusting the state general inspector with organizing the inspection of the financial sector's activities from the central to the local level.

The decision pointed out clearly that the period to be inspected is contained in the years 1989 and 1990 and if necessary, the previous years can also be looked at.

According to this decision, the inspection will start from 1 January 1991 and end on 31 May.

Party Leader Discusses Theoretical Work

BK0512153090 Hanoi VNA in English 1447 GMT 5 Dec 90

[Text] Hanoi VNA Dec 5—"The theoretical banner of our party and people is Marxism-Leninism. This is a scientific doctrine which has greatly affected the development of the human society over the past century."

This was stated by party General Secretary Nguyen Van Linh at a cordial get-together in Hanoi on December 3 in honour of the 35th anniversary of the "TAP CHI CONG SAN" (Communist Review).

"At present," he said, "we are living in a special international situation which is evolving in a very complicated manner. The crisis of socialism and the strategic readjustment of imperialism with its vicious 'Peaceful Evolution' Strategy have greatly influenced the socialist countries, the international communist and workers' movement as well as the national liberation movement. There have appeared among the revolutionaries in a number of countries confusion and wavering, division and splintering and an ideological, theoretical and organizational crisis has set in Marxism-Leninism is being attacked, defaced and even negated by some people. The present picture of the world is kaleidoscopic and full of contradictions, with struggles intertwined with cooperation and dentente intertwined with confrontation. All this is having its impact on our country, thus forcing us to take a thorough study in order to work out a correct guideline for our actions.

"The theoretical banner of our party and people is Marxism-Leninism. This is a scientific doctrine which has greatly affected the development of the human society over the past century. For us, the unshakeable belief in Marxism-Leninism is not transcendental but stems from the reality of our people's struggle for independence, freedom, national construction and defence over the past 60 years. The great achievements we have obtained are inseparable from our firm grasp and creative application of Marxism-Leninism. On the other hand, our shortcomings and mistakes have resulted from an incorrect perception and improper appliciation of that doctrine. For instance, the mistakes in strategic guidance already pointed out by the sixth party congress: late determination of the first stage of the period of transition to socialism, mistakes in determining the economic structure and management mechanism, the role of different economic sectors. All this testifies to a simplicist [as received] thinking and hastiness in the application of Marxism-Leninism. On a broader perspective, one of the causes of the serious crisis currently affecting the socialist countries is the serious violation of the basic principles of Marxism-Leninism, especially in economic construction, party building, in the relations between the party and the masses, in the promotion of democracy and the people's right as master. It is totally wrong for some people to use this as an excuse to blame Marxism-Leninism for all the subjective mistakes committed in practical work in order to negate it. Such viewpoint must be refuted.

"To decide the content, form, mode and tempo of socialist construction in each country is to concretize and apply Marxism-Leninism. If Marxism-Leninism is considered an unchangeable doctrine and rigidly applied regardless of practical historical conditions, that is contrary to the creative nature of Marxism-Leninism hence, failure is unavoidable. On the contrary, if in the name of 'creativeness' and 'renovation' one is actually willing to depart from the foundation of Marxism-Leninism and if one accepts Marxism-Leninism only in word but in deeds is actually abolishing its revolutionary and scientific principles, then failure is also unavoidable.

"Of the key subjects of our present theoretical work I want to lay stress on our researches about Uncle Ho whose life, thoughts, virtues constitute an invaluable treasure of our party and people now as well as of future generations. Uncle Ho was a theoretician who has made outstanding contributions to the creative application and development of Marxism-Leninism in our country. He has concretized and enriched Marxism-Leninism in many respects such as the national liberation revolution in colonial countries, people's war, the united national front, the strategy and tactics of the struggle to achieve the strategic aims in each stage of the revolution, the way to take an agriculturally backward country to socialism without going through the period of capitalist development, party building, socialist democracy and the people's role as master, the formation of people of a new type, etc. The life, thoughts and virtues of Uncle Ho will not only live for ever in our people's cause but will also exert a durable and profound impact in many countries. To systematize and study the contents of Uncle Ho's rich spiritual heritage and apply it to the current cause of renovation in our country is a primary task of our theoreticians."

Ministers Council Creates Personnel Subcommittee

BK0312094190 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Dec 90

[Text] On 30 November, the chairman of the Council of Ministers issued a decision on establishing a Subcommittee for Guidance of Arrangement of Administrative and Nonproductive Organizations and Staff. The subcommittee's duty is to carry out studies and submit reports to the Council of Ministers and its chairman to help them decide on the functions, tasks, and structures of the apparatuses of the state administration and nonproductive sectors, and on policies and plans for organization and labor of administrative and nonproductive organs from the central to grassroots level.

The subcommittee will assist the Council of Ministers and its chairman in solving problems concerning personnel and staffing. It will also assist the various ministries, state commissions, other organs of the Council of Ministers, and the people's committees of provinces, cities, and special zones directly subordinate to the central government in elaborating and implementing plans for organization and staffing of their sectors and localities.

Army Paper Stresses Party Documents' Importance

BK0212164390 Hanoi Domestic Service in Vietnamese 1000 GMT 2 Dec 90

[From the press review program]

[Text] The paper QUAN DOI NHAN DAN today runs an editorial titled: "Discussing and Contributing Ideas to the Seventh Party Congress Documents is the Duty of the Entire Party, People, and the Armed Forces."

The editorial says in part: The documents of the Seventh Party Congress, especially the platform on socialist construction for the transition period and the strategy to stabilize and develop the socioeconomic situation in our country until the year 2000, are important documents that not only provide guidelines for strengthening the party leadership capability and for social progress in the new stage of the revolution, but also create direct impact to the people's daily life.

As a result, efforts to discuss and contribute ideas to these draft documents and to participate in drafting resolutions of the Seventh Party Congress are the responsibility of all people. This is a manifestation of our people and armed forces' determination to advance on the socialist path. It is the concrete act that will significantly contribute to the success of the Seventh Party Congress.

Do Muoi Writes to Machine Assembly Union

BK0212113690 Hanoi Domestic Service in Vietnamese 2300 GMT 29 Nov 90

[Council of Ministers Chairman Do Muoi's letter to Union of Machine Assembly Enterprises on its 30th founding anniversary—date not given]

[Text] On the 30th founding anniversary of the Union of Machine Assembly Enterprises, on behalf of the Communist Party of Vietnam [CPV] Central Committee and the Council of Ministers, I cordially convey to all of you my warmest greetings.

Under the Ministry of Construction's leadership, the union has made great efforts to overcome difficulties, develop the spirit of self-reliance, strengthen unity, work creatively, consistently improving skills and instruction conveyed by foreign specialists, thereby helping the state save foreign currencies and contributing to the completion of many key projects for the national economy.

On behalf of the CPV Central Committee and the Council of Ministers, I warmly welcome and commend all comrades for your achievements.

Dear comrades, I believe that in the new stage you will continue to uphold the union's fine tradition and draw on more valuable lessons, strengthen unity, improve training, enhance your knowledge in management and foreign languages, practice thrift, ensure safety in your work, and formulate plans for the future especially the 1991 plan so as to contribute with the construction sector to fulfilling the plan norms and scoring achievements to welcome the Seventh CPV Congress.

General Staff Order Army To Conserve Gasoline

BK0212134590 Hanoi Domestic Service in Vietnamese 1400 GMT 29 Nov 90

[Text] On 23 November the Vietnam People's Army [VPA] General Staff issued a directive on conserving gasoline and limitations on using gasoline in army units.

The directive urged army units to educate officers, soldiers, and personnel to realize the generally difficult situation and the particular difficulty of our country in supplying gasoline. The directive also urged them to determinedly reduce or completely eliminate less urgent demands on the gasoline supply in order to thoroughly save and limit consumption to ensure that gasoline is reserved for combat duties.

The directive stressed that the units are only allowed to use 80 percent of the amount allocated for the year. Any unit that has received more than the new limitation must put aside the extra amount to be used in the first quarter of 1991. The gasoline reserved for combat duties must be checked regularly, strictly stored, and permission to use it must be obtained from the chief of the VPA General Staff.

Gasoline used in economic duties must be recorded separately, and gasoline allocated for combat, training, and technical maintenance duties must not be used in economic activities.

Measures to prevent gasoline being lost during transport, delivery, and storage must be applied strictly, and the use of technically defective vehicles with excessive levels of gasoline consumption must be limited.

Units that have been supplied with gasoline should use it economically, collect gasoline waste, and finalize transaction records in conformity with regulations.

Cadres, soldiers, and national defense personnel needing to travel should use public transport, limit using gasoline unnecessarily, and stop using cars for private business.

Army units must file quarterly, biannual, and annual reports on results of gasoline conservation to the VPA General Staff.

Five Million Tons of Crude Oil in Five Years

BK0612084890 Hanoi VNA in English 0732 GMT 6 Dec 90

[Text] Hanoi VNA Dec 6—Vietsopetro, the Vietnam-USSR petroleum joint venture, on Dec 5 announced that it had tapped the 5,000,000th ton [tonne] of crude oil from its offshore wells in Vietnam's southern continental shelf.

The joint venture has been operating for five years and next year it plans to tap from 3.5 to five million tons of crude, which indicates an increase of from 1,500-6,500 tons per day.

Hanoi Conference Reviews Anti-Corruption Results

BK0312035890 Hanoi Domestic Service in Vietnamese 2300 GMT 29 Nov 90

[Text] On 29 November a conference was held in Hanoi municipality to review the results of the anti-corruption struggle in compliance with Decision 240 of the Council of Ministers and Directive 64 of the party Central Committee secretariat.

After 2 months of implementation, Hanoi municipality authorities have initially detected signs of financial, economic, and managerial violations by 140 targeted primary installations. At the same time, they have realized the need to promptly deal with some obvious cases. By linking the anti-corruption struggle to the purification of basic party organizations and the enhancement of militancy in these organizations, Hanoi municipal authorities have initially disciplined 1,246 cadres and party members including 558 who have been expelled from party membership.

Domestic affairs agencies have completed their investigation reports and prepared for the trial of eight cases involving violators of some position and authority. Preparations have also been made to try three of five cases of debts to credit funds, involving the managers of these funds who intentionally accepted bribes. The deputy director of police, who will retire soon, is among the violators.

Vo Van Kiet Receives Australian Bankers

OW0312100590 Hanoi VNA in English 0730 GMT 3 Dec 90

[Text] Hanoi VNA Dec. 3—The first vice chairman of the Vietnamese Council of Ministers, Vo Van Kiet, has recieved in Hanoi representatives of the ANZ [Australia and New Zealand] Bank and the KPMG Peat Marwick (Chartered Accountants) of Australia currently on a working visit to Vietnam.

ANZ representatives expressed wish to open an office in Vietnam and establish cooperation with Vietnamese banks in the transfer of banking technology and in personnel training in the near future. For their part, KPMG Peat Marwick representatives said they wished to have an appropriate form of representation in the country for the expansion of activities of chartered accountants, advisory businesses, international taxes as well as for cooperation in building a chartered accountant network and in personnel training.

Vice Chairman Vo Van Kiet said that Vietnam highly appreciated all forms of foreign assistance to its current economic renovation, especially in banking and chartered accountants, which, he said, may create favourable conditions for marketing operations and attraction of foreign investment in Vietnam. "Our government will positively consider proposals raised by ANZ Bank and the KPMG Peat Marwick", Vo Van Kiet said to his guests.

Italian Government Delegation Concludes Visit

BK3011154090 Hanoi VNA in English 1442 GMT 30 Nov 90

[Text] Hanoi VNA Nov. 30—An Italian governmental delegation led by Deputy Foreign Minister Claudio Lenoci left here today, concluding its three-day visit to Vietnam.

During its stay, the Italian delegation paid tribute to President Ho Chi Minh at his mausoleum and visited the late president's home and office.

The delegation was cordially received by Do Muoi, chairman of the Council of Ministers, and Nguyen Co Thach, vice-chairman of the Council of Ministers and foreign minister.

Deputy Foreign Minister Claudio Lenoci held talks with his Vietnamese counterpart Vu Khoan, and together with Vietnamese Vice-minister of Commerce Dinh Phu Dinh presided over the second session of the Vietnam-Italy Joint Commission for Economic and Technical Cooperation.

During the meetings, the two sides exchanged views on wide-ranging bilateral relations and international and regional questions of mutual concern. They expressed satisfaction at the fine development of the cooperative relations between the two countries over the past years and their common desire to promote and broaden those relations in the coming time. The Vietnamese side sincerely thanked the Italian government and people for their valuable assistance to the Vietnamese people's renovation and national construction.

Deputy Foreign Minister Claudio Lenoci and Vice-minister of Commerce Dinh Phu Dinh on behalf of their governments, signed a supplementary protocol on cooperation in the 1990-92 period.

Under this protocol, the Italian government will give Vietnam a supplementary aid of 40 billion lire (about $35 million), bringing the Italian government's total aid to Vietnam in the 1990-92 period to 160 billion lire (about $139 million) in the form of gratuitous aid and loans with preferential terms. The aid will be used in building projects in agriculture, industry, aquatic products, infrastructure, public health, society and import subsidisation.

The talks and meetings took place in an atmosphere of cordiality, friendship and cooperation.

Italian Ambassador to Vietnam Maurizio Teucci was present on those occasions.

Australia

New Policy Suggested If Cambodian Talks Fail

BK0612115790 Hong Kong AFP in English 1119 GMT 6 Dec 90

[Text] Canberra, Dec 6 (AFP)—Australia's Foreign Minister Gareth Evans warned Thursday the chance of achieving a comprehensive peace settlement in Cambodia may soon be lost.

In a statement to Parliament, he also signalled the development of a new policy alternative, including the option of recognising Cambodia's Hun Sen regime if peace talks failed. But he admitted the alternative would have "obvious limitations" in helping save Cambodians from continuing civil war and the "appalling prospect" of a Khmer Rouge takeover.

Mr. Evans played a key role in developing a United Nations ceasefire-based peace plan. He said if the peace process failed, other nations would be highly unlikely to commit troops against Khmer Rouge guerrillas and China could be expected to renew arms supplies to them.

The warning reflected Australia's hopes for a major effort to overcome an impasse over the make-up of an interim Supreme National Council (SNC). The SNC includes six representatives each from the tripartite resistance and Phnom Penh, but the two sides have failed to agree on the chairmanship.

The guerrillas want Prince Norodom Sihanouk to take the post a request Phnom Penh has agreed to if Prime Minister Hun Sen becomes vice chairman, to which the resistance has not agreed.

Progress had been made towards a comprehensive peace settlement over the past 12 months, Mr. Evans said. But he added the "key international players, not least the permanent five members of the Security Council (Britain, China, France, the Soviet Union and the United States) ... do not have infinite reserves of commitment and patience."

What he described as "the window of opportunity" could shortly close, he said. If others allowed that to happen, Australia might have to consider other options.

But "to do so now would be to demonstrate a lack of that nerve and stamina in foreign policy which is increasingly necessary in the ever-more fluid and uncertain international environment we now face."

Diplomatic sources say there are indications other countries could move early next year to end the diplomatic freeze on Cambodia if the conflict resumes with the danger of the Khmer Rouge edging back to power.

Another factor in Australia's major policy reappraisal is the collapse of Eastern European aid and technical support which helped prop up the Hun Sen government. But Australia and other nations need to prepare contingencies in case Cambodian factional differences prove insurmountable.

"If it became clear that, despite the best efforts of all concerned, a comprehensive settlement is unachievable, Australia, along with other Western and regional countries, will need to review other policy options," Mr. Evans said.

So far, the federal government has only provided Cambodia indirect aid, primarily through non-government aid agencies. Formal recognition of the Phomn Penh government would clear the way for direct aid from Australia and other nations.

Opposition Foreign Affairs Spokesman Robert Hill said Mr. Evans was sowing the seeds of acknowledgement of failure and that there might need to be a substantial policy change.

The statement was the first time the government had admitted the window of opportunity for a settlement could be closing, he added. "Maybe we are being softened-up for an about turn in the near future," Mr. Hill said.

Mr. Hill said the prospect of a Khmer Rouge return to power was "almost too horrific to contemplate". During their near-five-year rule before being ousted by a Vietnamese invasion in late-1978, the Khmer Rouge were blamed for the deaths of hundreds of thousands of Cambodians.

Fiji

Economic Slowdown Expected If Crisis Continues

BK0412100090 Melbourne Overseas Service in English 0500 GMT 4 Dec 90

[Text] Fiji's minister for finance, Mr. Josevata Kamikamica, said some of its major trading partners appear to be entering periods of recession because of the crisis in the Gulf.

Addressing a two-day meeting of consultative groups of the national economic summit, Mr. Kamikamica said some slowdown in economic growth is expected in 1991 if the crisis continues.

He said strategy committees would continue to monitor progress of Fiji's economy and external factors that influence it. Mr. Kamikamica said sugar production this year is likely to be the same as last year despite damage to the industry by Cyclone Sina. He said tourism has continued to expand and Fiji is more popular than ever with overseas holidaymakers.

New Zealand

McKinnon: No Commitment to Fijian Defense Ties

BK0612072790 Melbourne Overseas Service in English 0500 GMT 6 Dec 90

[Text] New Zealand's acting prime minister, Mr. Don McKinnon, says New Zealand will not commit itself to any military cooperation with Fiji even if full democratic elections are held on the island nation. But Mr. McKinnon told New Zealand's parliament that military cooperation would be considered without a commitment being made after elections in Fiji.

He said his recent meeting with Fiji's interim prime minister, Ratu Sir Kamisese Mara, was a continuation of the policies of the previous Labor government.

During a meeting late last month, Ratu Mara asked Mr. McKinnon for a resumption of some New Zealand military aid which was suspended after military coups in Fiji in 1987.

Pre-Christmas Airline Strike Threatens Travel

BK0612054090 Hong Kong AFP in English 0327 GMT 6 Dec 90

[Text] Auckland, New Zealand, Dec 6 (AFP)—A series of strikes which could bring chaos to New Zealand's domestic air network later this month were still on Thursday, but efforts to prevent them were under way. Maintenance engineers, baggage handlers and aircraft refuellers could stop some or all flights over seven days this month—December 10-12, 14, and 17-19.

Although unrelated, the planned strikes are over various aspects of new wage contracts. Employers association advocate Marau Russell said Thursday there had been no developments that would avoid the strikes, but added that talks were continuing.

An advocate for maintenance engineers and baggage handlers with Air New Zealand and its subsidiaries, Rex Jones, said a work stoppage and secret ballot were still planned for December 14 on whether to have their strike. He had been hoping employers would come back and negotiate.

Air New Zealand public relations officer Cameron Hill said Thursday there were still "some substantial issues to be resolved" over this dispute. However the company hoped for further discussions over the next few days.

Papua New Guinea

Soviets Hold Fishery Talks in Port Moresby

BK0612080690 Melbourne Overseas Service in English 0500 GMT 6 Dec 90

[Text] The Soviet Union says it is prepared to pay the fees paid by other fishing nations for fish caught in Papua New Guinea waters. During talks to finalize arrangements on the implementation of a fisheries treaty between the two countries, the Soviet Union said it would pay on the basis of actual catch.

The Moscow representatives also said they were willing to accept conditions set by the government on how far Soviet fishing vessels were allowed to fish in Papua New Guinea waters.

Bougainville Rebels Said Resolute on Conditions

BK0512151090 Hong Kong AFP in English 1454 GMT 5 Dec 90

[by Johnson Honimae]

[Text] Honiara, Dec 5 (AFP)—The self-styled Bougainville interim government said here Wednesday that Papua New Guinea's defence forces must leave Buka Island before the proposed second round of peace talks could begin.

Port Moresby has refused to pull security forces out of Buka, near the rebel island of Bougainville, while suggesting peace talks resume on December 18.

Bougainville's "foreign minister" Lambias Magasu told reporters conditions for talks with the national government remained as they had for the past few months. "The troops must be pulled out to show the genuineness of the government, then we will talk about negotiations," he said.

In August, Port Moresby sent troops to Buka off the northern tip of Bougainville, some six months after pulling out of the larger island where the Bougainville Revolutionary Army (BRA) waged a 16-month secessionist war that killed more than 80 people.

In May Port Moresby had imposed a communication and transport blockade after the BRA declared independence.

Mr. Magasu and three others entered the Solomon Islands illegally last month to purchase food and medicine. They were arrested in the western province and have been ordered to leave Solomons voluntarily within the next three months.

Mr. Magasu also said: "Maybe in the long run there is no point for the negotiations since Papua New Guinea did not honour the last agreement which came as a result of the first round of negotiations."

At peace talks with Port Moresby in early August, Bougainville officials accepted the offer of medical and other supplies but refused to agree to the return of government security forces.

"The crisis will only solve itself if Papua New Guinea can withdraw its troops and leave Bougainville to be independent," [said] Mr. Magasu. He also called on Port Moresby not to keep describing the crisis as an internal matter because "it is already affecting neighbouring Solomon Islands who have blood relatives on Bougainville."

Bougainville was linked to the Solomons until it became part of German New Guinea when Britain swapped the island for Western Samoa in 1898.

The international community should be allowed to help solve the problem, Mr. Magasu said. He described law and order on Bougainville as being under control because a civilian police force had been set up and traditional chiefs were controlling villages.

Food shortages had been solved as gardens planted after the embargo were now being harvested, he said.

"The only problem is the lack of medicine. People are dying every week of preventable diseases such as malaria," he added.

But the resolution of Bougainvilleans was unshaken, he said. "My people, including children, are prepared to fight. And dying is no longer seen as something to fear as long as we fight for the right of our land."